





2003

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I. BUDGET OVERVIEW

Information about the Federal, DHHS and CMS budgets.

HIGHLIGHTS

- o *Medicare benefit payments are expected to increase by 7.5 percent from 2002 to 2003 and by 4.6 percent from 2003 to 2004.*
- o *Federal and State Medicaid medical assistance payments are expected to increase by 10.2 percent from 2002 to 2003 and by 9.2 percent from 2003 to 2004.*
- o *Program benefit payments for Medicare, Medicaid, and SCHIP combined are expected to increase by 10.4 percent from 2002 to 2003 and by 9.0 percent from 2003 to 2004.*

CHAPTER 1

Introduction to the Study of...

Section 1.1

Definition of the Study of...

Definition of the Study of...

Definition of the Study of...

CMS Disbursements
Fiscal Years 2002 - 2004

	2002	2003	2004	
	Actual	Current Law	Current Law	Proposed Law
Dollars in millions				
CMS Budget Outlays				
Medicare Benefits	\$252,207	\$271,164	\$283,768	\$289,768
Medicare Part B Transfer to Medicaid	112	118	0	55
Quality Improvement Organizations	354	346	370	370
Health Care Fraud and Abuse Control (HCFAC)	963	1,075	1,075	1,075
Other Medicare Administrative Expenses	1,249	1,273	1,246	1,246
CMS Program Management	2,403	2,675	2,779	2,779
Medicaid Benefits	140,239	155,370	169,668	173,001
State and Local Administration/Training	7,273	8,449	9,009	9,009
State Children's Health Insurance Program (SCHIP)	3,656	4,700	5,050	5,073
SCHIP Transfer to Medicaid	26	-	-	-
Ticket to Work Program (P.L. 106-170)	10	20	25	25
Qualified High-Risk Pools grant programs (P.L. 107-210)	0	1	23	23
Total Outlays (unadjusted)	\$408,493	\$445,190	\$473,013	\$482,424
Medicare Premiums	-25,951	-28,344	-31,853	-31,853
Offsetting Collections, Non-Federal	-60	-106	-58	-259
Reimbursables	-5	0	0	0
Total Outlays Net of Medicare Premiums and Offsetting Collections	\$382,476	\$416,741	\$441,102	\$450,312

¹ Medicare transfer to Medicaid for Medicare Part B premium assistance.

⁴ Includes HCFAC outlays by CMS and other agencies.

⁵ Medicare-related expenses of other agencies, e.g., Social Security Administration.

⁶ Includes user fees and reimbursables.

⁷ Includes not only Medicaid medical assistance payments (MAP) but also Title XIX outlays for the Vaccines for Children Program (FY 2002 - \$792.2 million; FY 2003 - \$1,174.2 million; FY 2004 - \$1,200.1 million). The FY 2002 outlays were reduced by \$137.9 million to reflect the offsetting collections. In FY 2003, the estimate is reduced by the Medicare Part B transfer to Medicaid of \$117.7 million. The FY 2003 Medicaid benefits amount includes \$88 million for the extension of Transitional Medical Assistance through September 2003 (P.L. 108-40).

⁸ This transfer, required by section 802 of the BIPA (P.L. 106-554), reimburses Title XIX for the cost of SCHIP-related Medicaid expansions in fiscal years before FY 2001.

⁹ Qualified High-Risk Pools grant programs added in FY 2003.

NOTES: Fiscal year data. Totals do not necessarily equal the sum of rounded components.

SOURCES: FY 2004 Mid-Session Review; CMS/OFM

Program Benefit Payments Selected Fiscal Years

Fiscal Year	Total		Medicare ¹		Medicaid ²		SCHIP ³	
	Annual		Annual		Annual		Annual	
	Amount	Percent Change	Amount	Percent Change	Amount	Percent Change	Amount	Percent Change
Amount in billions								
Historical								
1980	\$57.9	--	\$33.9	--	\$24.0	--		
1985	108.8	12.6	69.5	14.1	39.3	10.4		
1990	175.9	15.6	107.2	13.8	68.7	18.4		
1991	204.4	16.2	113.9	6.3	90.5	31.7		
1992	245.1	19.9	129.2	13.4	115.9	28.1		
1993	268.7	9.6	142.9	10.6	125.8	8.5		
1994	296.9	10.5	159.3	11.5	137.6	9.4		
1995	328.9	10.8	176.9	11.0	152.0	10.5		
1996	344.3	4.7	191.1	8.0	153.2	0.8		
1997	367.8	6.8	207.1	8.4	160.7	4.9		
1998	379.7	3.2	210.1	1.4	169.4	5.5	0.2	
1999	390.5	2.8	208.3	-0.9	180.8	6.7	1.3	655.2
2000	413.8	6.0	214.9	3.2	196.1	8.4	2.8	108.6
2001	457.8	10.6	236.6	10.1	217.4	10.9	3.8	36.6
2002	505.4	10.4	252.3	6.7	247.7	13.9	5.4	41.4
Budget								
Current law								
2003	551.0	9.0	271.3	7.5	273.0	10.2	6.7	24.4
2004	589.2	6.9	283.8	4.6	298.2	9.2	7.2	7.4

¹ Includes catastrophic benefits for FY 1990. Includes SMI transfer to Medicaid. Excludes

Quality Improvement Organization expenditures.

² Total computable benefit payments (Federal and State combined). Historical data for FYs 1980-1994

reflect total computable medical assistance payments reported by the States on line 11 of the HCFA-64 and predecessor forms. Historical data for FYs 1995-2002 include line 11 total computable medical assistance payments and outlays for the Vaccines for Children Program but do not include total computable Title XIX expenditures for the State Children's Health Insurance Program. Budget data for FYs 2003-2004 reflect current law estimates of total adjusted computable medical assistance payments and outlays for the Vaccines for Children Program.

Historical data for FYs 1996-2000 include total computable expenditures (Title XIX and Title XXI) reported by the States for the State Children's Health Insurance Program (SCHIP). After FY 2000, there is no longer Title XIX funding of SCHIP. Budget data for FYs 2001-2003 reflect estimates of total computable Title XXI outlays. In FYs 2001 and 2002, the estimate does not include the SCHIP transfer to Medicaid to reimburse Title XIX for the cost of SCHIP-related Medicaid expansions in fiscal years before FY 2001.

NOTE: Percent changes based on unrounded numbers.

SOURCE: CMS/OFM

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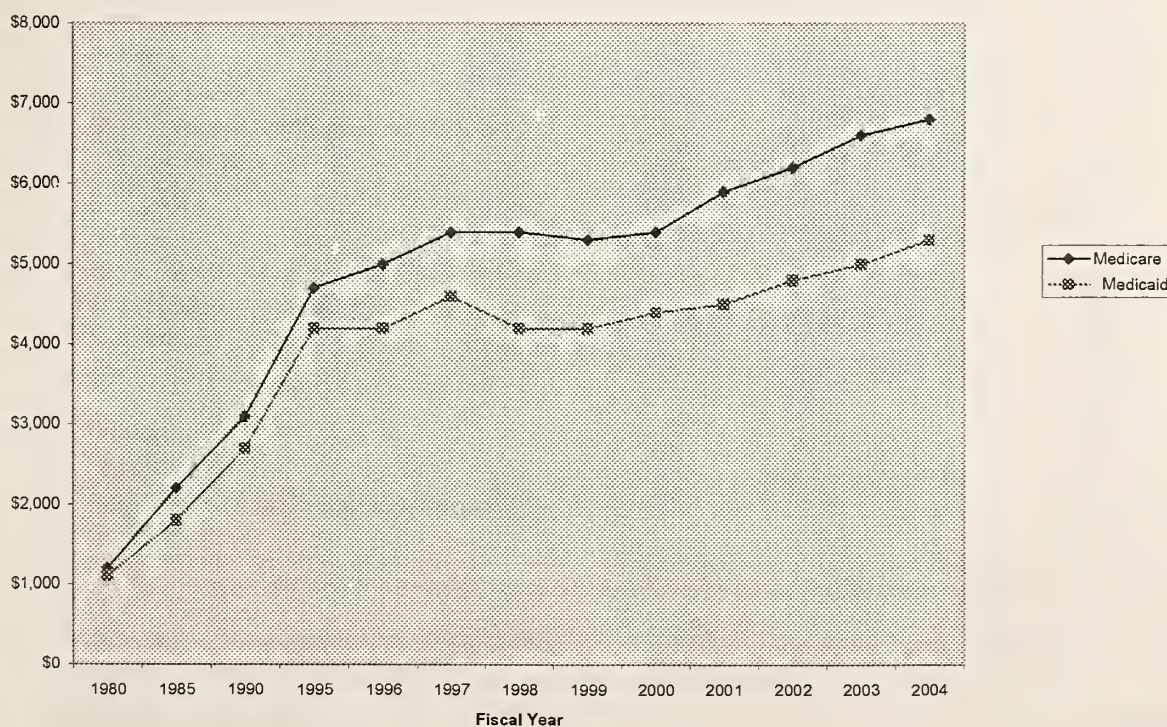
**Program Benefit Payments Per Enrollee
Selected Fiscal Years**

Fiscal Year	Medicare			Medicaid ²			State Children's Health Insurance Program (SCHIP)	
	Benefit Payments ¹ (In Billions)	Enrollees (In Millions)	Average Per Enrollee	Benefit Payments (In Billions)	Beneficiaries ³ (In Millions)	Average Per Beneficiary	Medicaid Expansions ⁴ (In Billions)	Separate State Programs (In Billions)
1980	\$33.9	28.3	\$1,200	\$24.0	21.6	\$1,100		
1985	69.6	31.0	2,200	39.3	21.8	1,800		
1990	107.4	34.1	3,100	68.7	25.3	2,700		
1995	177.1	37.4	4,700	151.8	36.3	4,200		
1996	191.2	38.0	5,000	152.9	36.1	4,200		
1997	207.3	38.4	5,400	160.3	34.7	4,600		
1998	210.3	38.8	5,400	168.9	40.6 ⁵	4,200	\$0.1	\$0.1
1999	208.5	39.1	5,300	180.4	42.9 ^{5,6}	4,200	0.6	0.7
2000	215.1	39.6	5,400	195.5	44.5 ^{5,6}	4,400	1.1	1.6
2001	236.8	40.0	5,900	216.2	48.4 ^{5,6}	4,500	1.2	2.6
2002	252.6	40.5	6,200	246.3	51.4 ^{5,6}	4,800	1.3	4.0
2003 ⁷	271.6	41.0	6,600	264.7	53.3 ^{5,6}	5,000	1.8	4.9
2004 ⁷	284.1	41.5	6,800	287.6	54.6 ^{5,6}	5,300	1.9	5.3

¹Includes Quality Improvement Organization and SMI Medicaid transfer expenditures. ²Excludes Medicaid expansion and separate State programs under SCHIP and payments under Vaccines for Children Program. ³Medicaid beneficiaries are enrollees on behalf of whom at least one payment is made during the fiscal year. ⁴Beginning in FY 2001, SCHIP Medicaid expansions are funded through Title XXI. See footnote 2, page 2. ⁵Estimated. ⁶Beginning in 1998, Medicaid beneficiaries were redefined to include eligibles on behalf of whom a capitation payment is made, which results in a large increase in the beneficiary count.

NOTES: Current law only. Consistent with data and estimates included in the FY 2004 Mid-Session Review. Medicare benefit payments reflect gross outlays, i.e., not net of offsetting receipts. Medicaid benefit payments reflect both Federal and State expenditures.

Average Payment per Enrollee



Benefit Outlays by Program Selected Fiscal Years

	1967	1968	2002	2003 ¹
Amounts in billions				
Annually				
CMS Program Benefit Outlays	\$5.1	\$8.4	\$505	\$551
Federal Outlays	NA	6.7	396	431
Medicare	3.2	5.1	252	271
HI	2.5	3.7	144	154
SMMI	0.7	1.4	108	118
Medicaid	1.9	3.3	248	273
Federal Share	NA	1.6	140	155
State Children's Health Insurance Program (SCHIP)	NA	NA	5	7
Federal Share	NA	NA	4	5
In millions				
Monthly				
CMS Program Benefit Outlays	\$423	\$702	\$42	\$46
Federal Outlays	NA	561	33	36
Medicare	264	427	21	23
HI	209	311	12	13
SMMI	55	116	9	10
Medicaid	158	275	21	23
Federal Share	NA	133	12	13
State Children's Health Insurance Program	NA	NA	0.4	0.6
Federal Share	NA	NA	0.3	0.4
In thousands				
Hourly				
CMS Program Benefit Outlays	\$579	\$962	\$58	\$63
Federal Outlays	NA	768	45	49
Medicare	362	585	29	31
HI	286	426	16	18
SMMI	76	159	12	13
Medicaid	217	377	28	31
Federal Share	NA	183	16	18
State Children's Health Insurance Program	NA	NA	0.6	0.8
Federal Share	NA	NA	0.5	0.6
In thousands				
By Minute				
CMS Program Benefit Outlays	\$10	\$16	\$962	\$1,048
Federal Outlays	NA	13	754	821
Medicare	6	10	480	516
HI	5	7	274	292
SMMI	1	3	206	224
Medicaid	4	6	471	519
Federal Share	NA	3	267	296
State Children's Health Insurance Program	NA	NA	10	13
Federal Share	NA	NA	7	9

¹ Estimated. ⁴ Includes SMI transfer to Medicaid. ⁵ Includes Federal outlays for the Vaccines for Children Program.

NOTES: Current law fiscal year data. Totals may not equal the sum of rounded components. For FYs 2002 and 2003 rounded annual benefit outlays used to derive monthly (12), hourly (8,760) and minutely (525,600) outlays.

SOURCE: CMS/OFM

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CMS Benefit Payments by Major Program Service Categories
Fiscal Year 2001

Type of Service	Total Program Payments		Medicare		Medicaid ¹	
	Amount	Percent Distribution	Amount	Percent Distribution	Amount	Percent Distribution
Amount in millions						
Total	\$452,959	100.0	\$236,822	100.0	\$216,137	100.0
Inpatient Hospital	138,605	30.6	93,613 ²	39.5	44,992 ⁷	20.8
Nursing Facilities	65,618	14.5	12,539	5.3	53,079 ⁸	24.6
Home Health & Related	28,762	6.3	7,951	3.4	20,811 ⁹	9.6
Physician & Other Practitioner	64,153	14.2	54,116 ³	22.9	10,037 ¹⁰	4.6
Outpatient	29,359	6.5	20,689	8.7	8,670 ¹¹	4.0
Clinic	6,138	1.4	-- ⁴	--	6,138 ¹²	2.8
Prescribed Drugs	19,772	4.4	--	--	19,772 ¹³	9.1
Capitation Payments	79,686	17.6	42,086 ⁵	17.8	37,601 ¹⁴	17.4
Other Care	20,866	4.6	5,829 ⁶	2.5	15,038 ¹⁵	7.0

¹ Payments (Federal and State) from financial management reports (Form CMS-64).

² Includes inpatient hospital (\$87,043 million) and Quality Improvement Organization (\$236 million).

³ Includes physicians, other practitioners, durable medical equipment, ambulatory surgical center facility costs, physician-administered drugs, and other Part B suppliers (total of \$54.061 million) and Quality Improvement Organization (\$55 million).

⁴ Covered clinic services are included under outpatient.

⁵ Includes Part A managed care payments (\$22,837 million) and Part B managed care payments (\$19,249 million).

⁶ Includes hospice (\$3,464 million) and clinical laboratory services furnished in a physician's office and an independent laboratory (\$2,365 million).

⁷ Includes inpatient hospital payments (\$29,476 million) and disproportionate share (DSH) payments (\$15,516 million).

⁸ Includes services in nursing facilities (\$42,728 million) and intermediate care facilities for the mentally retarded (\$10,351 million).

⁹ Includes home health (\$2,573 million), home and community-based waivers (\$13,932 million), personal care services (\$4,145 million), and home and community-based services for functionally disabled elderly (\$162 million).

¹⁰ Includes physician (\$6,683 million), dental (\$2,214 million), and other practitioner services (\$1,139 million).

¹¹ Includes outpatient hospital (\$8,003 million) and laboratory/radiological services (\$667 million).

¹² Includes clinic (\$5,119 million), rural health clinic (\$292 million), and federally qualified health clinic services (\$726 million).

¹³ Includes gross prescription drug expenditures (\$24,686 million) and drug rebates (\$4,914 million).

¹⁴ Includes Medicare premiums (\$4,540 million) and other capitation payments (\$33,061 million).

¹⁵ Includes early and periodic screening, diagnosis and treatment (EPSDT) (\$923 million), targeted case management (\$2,012 million), primary care case management (\$218 million), hospice (\$547 million), emergency services for undocumented immigrants (\$1,074 million), miscellaneous coinsurance payments (\$453 million), sterilizations (\$114 million), abortions (\$0.2 million), Program for All-Inclusive Care of Elderly (PACE) (\$14 million), community supported living arrangements (\$0.1 million), other care services (\$8,481 million), and collections net of prior adjustments (\$1,201 million).

NOTE: Because of rounding, table components may not add to totals.

SOURCE: CMS/IOACT

CMS Benefit Payments by Major Program Service Categories **Fiscal Year 2001**

Type of Service	Total Program Payments		Medicare		Medicaid ¹	
	Amount	Percent Distribution	Amount	Percent Distribution	Amount	Percent Distribution
Total	\$452,959	100.0	\$236,822	100.0	\$216,137	100.0
Inpatient Hospital	138,605	30.6	93,613 ²	39.5	44,992 ⁷	20.8
Nursing Facilities	65,618	14.5	12,539	5.3	53,079 ⁸	24.6
Home Health & Related	28,762	6.3	7,951	3.4	20,811 ⁹	9.6
Physician & Other Practitioner	64,153	14.2	54,116 ³	22.9	10,037 ¹⁰	4.6
Outpatient	29,359	6.5	20,689	8.7	8,670 ¹¹	4.0
Clinic	6,138	1.4	-- ⁴	--	6,138 ¹²	2.8
Prescribed Drugs	19,772	4.4	--	--	19,772 ¹³	9.1
Capitation Payments	79,686	17.6	42,086 ⁵	17.8	37,601 ¹⁴	17.4
Other Care	20,866	4.6	5,829 ⁶	2.5	15,038 ¹⁵	7.0

Amount in millions

¹ Payments (Federal and State) from financial management reports (Form CMS-64).

² Includes inpatient hospital (\$8,743 million) and Quality Improvement Organization (\$236 million).

³ Includes physicians, other practitioners, durable medical equipment, ambulatory surgical center facility costs, physician-administered drugs, and other

Part B suppliers (total of \$54,061 million) and Quality Improvement Organization (\$55 million).

⁴ Covered clinic services are included under outpatient.

⁵ Includes Part A managed care payments (\$22,837 million) and Part B managed care payments (\$19,249 million).

⁶ Includes hospice (\$3,464 million) and clinical laboratory services furnished in a physician's office and an independent laboratory (\$2,365 million).

⁷ Includes inpatient hospital payments (\$29,476 million) and disproportionate share (DSH) payments (\$15,516 million).

⁸ Includes services in nursing facilities (\$42,728 million) and intermediate care facilities for the mentally retarded (\$10,351 million).

⁹ Includes home health (\$2,573 million), home and community-based waivers (\$13,932 million), personal care services (\$4,145 million), and home and

community-based services for functionally disabled elderly (\$162 million).

¹⁰ Includes physician (\$6,683 million), dental (\$2,214 million), and other practitioner services (\$1,139 million).

¹¹ Includes outpatient hospital (\$8,003 million) and laboratory/radiological services (\$667 million).

¹² Includes clinic (\$5,119 million), rural health clinic (\$292 million), and federally qualified health clinic services (\$726 million).

¹³ Includes gross prescription drug expenditures (\$24,686 million) and drug rebates (-\$4,914 million).

¹⁴ Includes Medicare premiums (\$4,540 million) and other capitation payments (\$33,061 million).

¹⁵ Includes early and periodic screening, diagnosis and treatment (EPSDT) (\$923 million), targeted case management (\$2,012 million), primary care case

management (\$210 million), hospice (\$347 million), emergency services for undocumented immigrants (\$1,074 million), miscellaneous contraceptive

payments (\$453 million), sterilizations (\$114 million), abortions (\$0.2 million), Program for All-Inclusive Care of Elderly (PACE) (\$14 million),

community supported living arrangements (\$0.1 million), other care services (\$8,481 million), and collections net of prior adjustments (\$1,201 million).

NOTE: Because of rounding, table components may not add to totals.



Medicare Trust Fund Projections
Fiscal Years 2002 - 2004

	2002	2003	2004
	Amount in millions		
HI Total Disbursements ¹	\$148,014	\$154,344	\$164,223
HI Administrative Expenses ²	1,743	1,877	1,922
HI Benefit Payments	144,140	153,566	161,226
Aged	124,868	132,585	138,682
Disabled	19,272	20,980	22,545
HCFA ³	963	1,075	1,075
HI Transfer to SMI for Home Health	1,168	(2,174)	--
SMI Total Disbursements ¹	108,825	122,201	124,954
SMI Administrative Expenses ²	1,813	2,311	2,412
SMI Benefit Payments	108,068	117,598	122,542
Aged	91,787	99,444	103,175
Disabled	16,281	18,155	19,367
SMI Transfer to Medicaid ⁴	112	118	--
HI Transfer to SMI for Home Health	(1,168)	2,174	--

¹ Current law data. Totals do not necessarily equal the sum of rounded components. ² Administrative expenses include the sum of administrative costs, research, and QIO expenditures. ³ Net Health Care Fraud and Abuse Control FY 2002 outlays reflect the U.S. Treasury's 2002 Combined Statement.

⁴ SMI Transfer to Medicaid for Medicare Part B premium assistance.

NOTES: Based on FY 2004 Mid-Session Review. Benefit estimates do not reflect proposed legislation. Totals do not necessarily equal the sum of rounded components.

SOURCES: CMS/OACT/OFM

**Medicare Benefit Payments by Type of Benefit
Fiscal Years 2002 - 2004**

	Benefit Payment ¹			Percent Distribution 2004
	2002	2003	2004	
	Amount in millions			
Total HI ²	\$144,140	\$153,566	\$161,226	100.0
Inpatient Hospital	102,130	109,923	116,495	72.3
Skilled Nursing Facility	14,699	13,670	14,107	8.7
Home Health Agency	4,931 ³	5,048	5,285	3.3
Hospice	4,516	5,870	6,258	3.9
Managed Care	17,865	19,054	19,081	11.8
Total SMI ²	108,068	117,598	122,542	100.0
Physician/Other Suppliers	60,669	66,106	69,587	56.8
Outpatient Hospital/Other Provider	21,350	23,576	24,147	19.7
Home Health Agency	5,108 ³	5,187	5,430	4.4
Laboratory	4,888	5,347	5,732	4.7
Managed Care	16,052	17,383	17,646	14.4

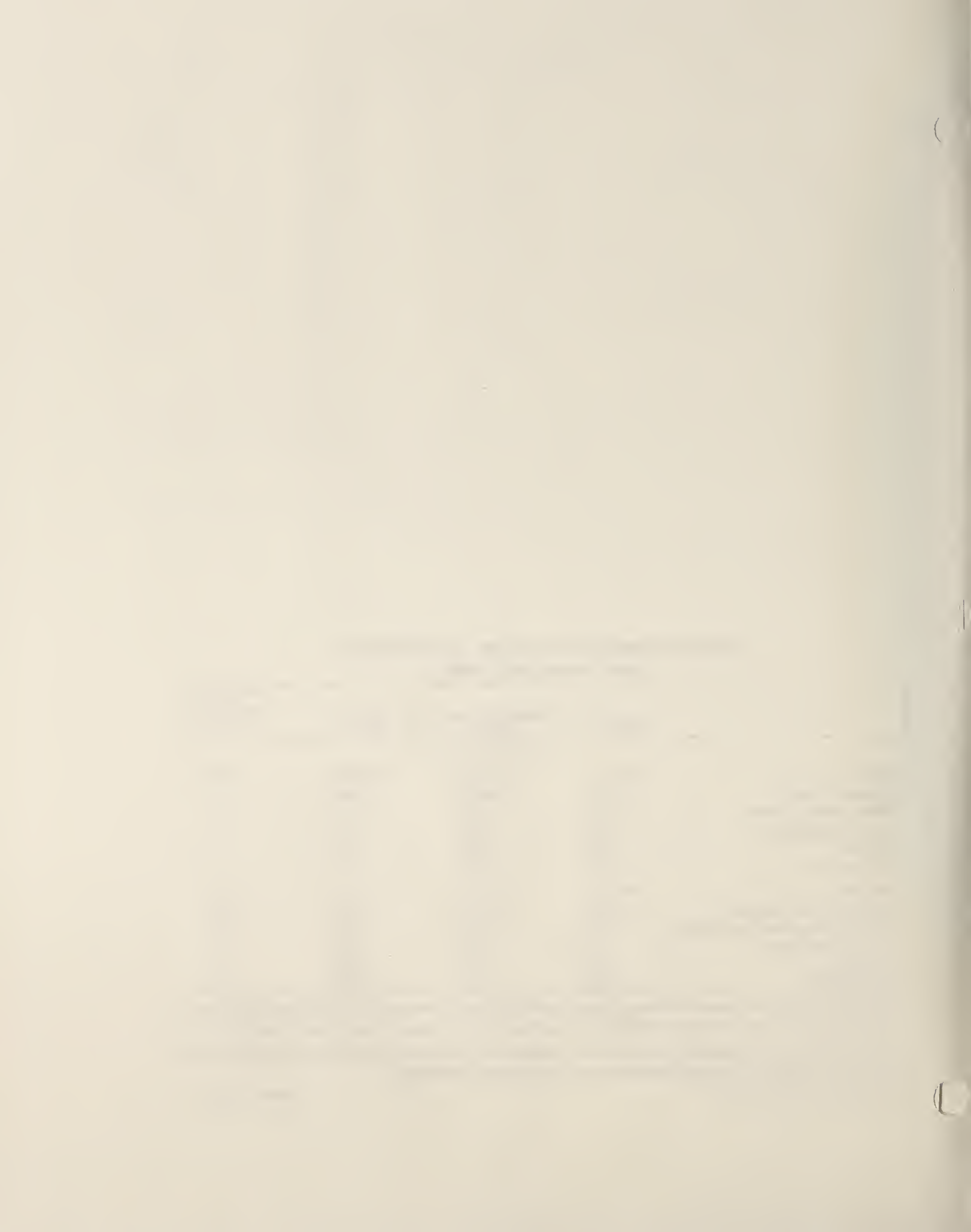
¹ Includes the effect of regulatory items and recent legislation but not proposed law. ² Excludes QIO expenses.

³ Distribution of home health benefits between the trust funds reflects the actual outlays as reported by the providers.

NOTES: Based on FY 2004 Mid-Session Review. Benefits by type of service are estimated and are subject to change. Totals do not necessarily equal the sum of rounded components.

SOURCES: CMS/OACT/OFM

November 2003



**Medicaid Payments by Basis of Eligibility
Selected Fiscal Years**

	Payments					Percent Distribution
	1985	1990	1995	1999	2000	2000
Amount in millions						
Total	\$37,508	\$64,859	#####	#####	#####	100.0
Age 65 and over	14,096	21,508	36,527	42,347	44,503	26.4
Blind/Disabled	13,452	24,403	49,418	65,668	72,742	43.2
Dependent Children under Age 21	4,414	9,100	17,976	23,846	26,775	15.9
Adults in Families with Dependent Children	4,746	8,590	13,511	15,637	17,763	10.6
Unknown	798	1,051	1,499	5,131	6,525	3.9

NOTES: In 1997, the Other title XIX category was dropped and the enrollees therein were subsumed into the remaining categories. Beginning in FY 1998, payments include capitated payments as a type of service category. The large increase between 1995 and 1998 is primarily the result of this change of definition. Totals do not necessarily equal the sum of rounded components.

SOURCES: CMS/CMSO/ORDI

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T. U. V.		The TUV of the TUV		1895		16	
W. X. Y.		The WXY of the WXY		1896		17	
Z. A. B.		The ZAB of the ZAB		1897		18	
C. D. E.		The CDE of the CDE		1898		19	
F. G. H.		The FGH of the FGH		1899		20	
I. J. K.		The IJK of the IJK		1900		21	
L. M. N.		The LMN of the LMN		1901		22	
O. P. Q.		The OPQ of the OPQ		1902		23	
R. S. T.		The RST of the RST		1903		24	
U. V. W.		The UVW of the UVW		1904		25	
X. Y. Z.		The XYZ of the XYZ		1905		26	
A. B. C.		The ABC of the ABC		1906		27	
D. E. F.		The DEF of the DEF		1907		28	
G. H. I.		The GHI of the GHI		1908		29	
J. K. L.		The JKL of the JKL		1909		30	
M. N. O.		The MNO of the MNO		1910		31	
P. Q. R.		The PQR of the PQR		1911		32	
S. T. U.		The STU of the STU		1912		33	
V. W. X.		The VWX of the VWX		1913		34	
Y. Z. A.		The YZA of the YZA		1914		35	
B. C. D.		The BCD of the BCD		1915		36	
E. F. G.		The EFG of the EFG		1916		37	
H. I. J.		The HIJ of the HIJ		1917		38	
K. L. M.		The KLM of the KLM		1918		39	
N. O. P.		The NOP of the NOP		1919		40	
Q. R. S.		The QRS of the QRS		1920		41	
T. U. V.		The TUV of the TUV		1921		42	
W. X. Y.		The WXY of the WXY		1922		43	
Z. A. B.		The ZAB of the ZAB		1923		44	
C. D. E.		The CDE of the CDE		1924		45	
F. G. H.		The FGH of the FGH		1925		46	
I. J. K.		The IJK of the IJK		1926		47	
L. M. N.		The LMN of the LMN		1927		48	
O. P. Q.		The OPQ of the OPQ		1928		49	
R. S. T.		The RST of the RST		1929		50	
U. V. W.		The UVW of the UVW		1930		51	
X. Y. Z.		The XYZ of the XYZ		1931		52	
A. B. C.		The ABC of the ABC		1932		53	
D. E. F.		The DEF of the DEF		1933		54	
G. H. I.		The GHI of the GHI		1934		55	
J. K. L.		The JKL of the JKL		1935		56	
M. N. O.		The MNO of the MNO		1936		57	
P. Q. R.		The PQR of the PQR		1937		58	
S. T. U.		The STU of the STU		1938		59	
V. W. X.		The VWX of the VWX		1939		60	
Y. Z. A.		The YZA of the YZA		1940		61	
B. C. D.		The BCD of the BCD		1941		62	
E. F. G.		The EFG of the EFG		1942		63	
H. I. J.		The HIJ of the HIJ		1943		64	
K. L. M.		The KLM of the KLM		1944		65	
N. O. P.		The NOP of the NOP		1945		66	
Q. R. S.		The QRS of the QRS		1946		67	
T. U. V.		The TUV of the TUV		1947		68	
W. X. Y.		The WXY of the WXY		1948		69	
Z. A. B.		The ZAB of the ZAB		1949		70	
C. D. E.		The CDE of the CDE		1950		71	
F. G. H.		The FGH of the FGH		1951		72	
I. J. K.		The IJK of the IJK		1952		73	
L. M. N.		The LMN of the LMN		1953		74	
O. P. Q.		The OPQ of the OPQ		1954		75	
R. S. T.		The RST of the RST		1955		76	
U. V. W.		The UVW of the UVW		1956		77	
X. Y. Z.		The XYZ of the XYZ		1957		78	
A. B. C.		The ABC of the ABC		1958		79	
D. E. F.		The DEF of the DEF		1959		80	
G. H. I.		The GHI of the GHI		1960		81	
J. K. L.		The JKL of the JKL		1961		82	
M. N. O.		The MNO of the MNO		1962		83	
P. Q. R.		The PQR of the PQR		1963		84	
S. T. U.		The STU of the STU		1964		85	
V. W. X.		The VWX of the VWX		1965		86	
Y. Z. A.		The YZA of the YZA		1966		87	
B. C. D.		The BCD of the BCD		1967		88	
E. F. G.		The EFG of the EFG		1968		89	
H. I. J.		The HIJ of the HIJ		1969		90	
K. L. M.		The KLM of the KLM		1970		91	
N. O. P.		The NOP of the NOP		1971		92	
Q. R. S.		The QRS of the QRS		1972		93	
T. U. V.		The TUV of the TUV		1973		94	
W. X. Y.		The WXY of the WXY		1974		95	
Z. A. B.		The ZAB of the ZAB		1975		96	
C. D. E.		The CDE of the CDE		1976		97	
F. G. H.		The FGH of the FGH		1977		98	
I. J. K.		The IJK of the IJK		1978		99	
L. M. N.		The LMN of the LMN		1979		100	

**Medicaid Payments by Basis of Eligibility
Selected Fiscal Years**

	Payments					Percent Distribution
	1985	1990	1995	1999	2000	2000
Amount in millions						
Total	\$37,508	\$64,859	\$120,141	\$152,629	\$168,307	100.0
Age 65 and over	14,096	21,508	36,527	42,347	44,503	26.4
Blind/Disabled	13,452	24,403	49,418	65,668	72,742	43.2
Dependent Children under Age 21	4,414	9,100	17,976	23,846	26,775	15.9
Adults in Families with Dependent Children	4,746	8,590	13,511	15,637	17,763	10.6
Unknown	798	1,051	1,499	5,131	6,525	3.9

NOTES: In 1997, the Other title XIX category was dropped and the enrollees therein were subsumed in the remaining categories. Beginning in FY 1998, payments include capitated payments as a type of service category. The large increase between 1995 and 1998 is primarily the result of this change of definition. Totals do not necessarily equal the sum of rounded components.

SOURCES: CMS/CMSO/ORDI

**Medicaid Payments by Type of Service and Basis of Eligibility
Fiscal Year 2000**

	Total Payments	Inpatient Hospital Services	Long-Term Care Services ¹	Other Services
Percent Distribution				
All Groups	100.0	14.4	27.9	57.7
Age 65 and over	26.4	1.0	16.9	8.5
Blind and Disabled	43.2	6.2	10.5	26.5
Children under Age 21	15.9	2.9	0.1	12.9
AFDC-Type Adults	10.6	2.8	0.1	7.7
Unknown	3.9	1.5	0.2	2.1

¹ Includes services in mental facilities, all nursing facilities, and home health services, and all ICF/MR.

NOTE: Totals may not equal the sum of rounded components.

SOURCE: CMS/CMSO

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Medicaid Payments by Type of Service
Selected Fiscal Years

	1985	1988	1989	2000	Percent Distribution 2000
Total	\$37,508	\$142,260	\$152,629	\$168,307	100.0
Inpatient Services	10,645	24,241	23,940	26,034	15.5
General Hospitals	9,453	21,441	22,182	24,266	14.4
Mental Hospitals	1,192	2,801	1,758	1,768	1.1
Nursing Facilities ¹	5,071	31,892	33,113	34,432	20.5
ICF Services	11,246	9,482	9,326	9,375	5.6
Mentally Retarded	4,731	9,482	9,326	9,375	5.6
All Other ¹	6,516	NA	NA	NA	0.0
Physician Services	2,346	6,070	6,497	6,806	4.0
Dental Services	458	901	1,203	1,404	0.8
Other Practitioner Services	251	587	467	658	0.4
Outpatient Hospital Services	1,789	5,759	6,061	7,053	4.2
Clinic Services	714	3,921	5,778	6,174	3.7
Laboratory & Radiological Services	337	939	1,147	1,288	0.8
Home Health Services	1,120	2,702	2,898	3,119	1.9
Prescribed Drugs	2,315	13,522	16,567	20,014	11.9
Family Planning ²	195	449	NA	NA	0.0
EPSTD ²	85	1,335	NA	NA	0.0
Rural Health Clinics ²	7	NA	NA	NA	0.0
Home and Comm. Based Waiver Serv. ²	NA	6,709	NA	NA	0.0
Prepaid Health Care	NA	19,296	21,115	24,413	14.5
PCCM Services	NA	134	463	165	0.1
Sterilization Services	NA	NA	121	128	0.1
Personal Support Services	NA	8,222	10,499	11,567	6.9
Other Care	928	4,386	12,967	14,680	8.7
Unknown	NA	1,713	469	997	0.6

¹ Beginning in 1991, the category, nursing facilities, was created to include skilled nursing facilities and intermediate care facility services for all other than the mentally retarded. ² Beginning in 1999, these services were reclassified as program types and the payments subsumed in the remaining types of service.

NOTES: Percent distribution based on rounded numbers. Prior to 1998, vendor payments exclude premiums and capitation amounts. Beginning in FY 1998, payments include capitated payments as a type of service category.

SOURCES: CMS/CMSO/ORDI

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National Health Care by Type of Expenditure
Calendar Year 2001

	National Total in billions	Per Capita	Percent Paid		
			Total	Medicare	Medicaid ¹
Total	\$1,424.5	\$5,034.9	32.7	17.0	15.7
Health Services and Supplies	1,372.6	4,851.1	34.0	17.6	16.3
Personal Health Care	1,236.4	4,370.0	35.8	19.0	16.9
Hospital Care	451.2	1,594.8	47.0	29.9	17.1
Physicians' Services	313.6	1,108.6	27.2	20.4	6.8
Nursing Home Care	98.9	349.6	59.2	11.7	47.5
Other Personal Health Care	372.6	1,317.1	23.4	6.5	16.9
Other Services and Supplies	136.1	481.1	17.0	5.4	11.6
Research and Construction	52.0	183.7	--	--	--

Excludes SCHIP and Medicaid SCHIP expansion.

NOTES: Per capita amounts based on July 1 Census resident population estimates. Totals do not necessarily equal the sum of rounded components.

SOURCE: CMS/OACT and U. S. Bureau of the Census

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CMS Benefit Payments by Major Personal Health Expenditure Service Categories **Calendar Year 2001**

Type of Service ¹	Total Program Payments		Medicare		Medicaid ⁵	
	Amount in billions	Percent Distribution	Amount in billions	Percent Distribution	Amount in billions	Percent Distribution
Total	\$443.0	100.0	\$234.5	100.0	\$208.5	100.0
Hospital Care	212.0	47.9	135.0	57.5	77.1	37.0
Physician and Clinical Services	85.3	19.3	63.9	27.3	21.4	10.3
Dentists' Services	3.1	0.7	0.1	0.0	3.0	1.5
Other Professional Services ²	7.1	1.6	5.4	2.3	1.7	0.8
Home Health Care ³	17.0	3.8	9.9	4.2	7.1	3.4
Prescription Drugs	26.5	6.0	2.4	1.0	24.1	11.6
Other Non-Durable Medical Products	1.4	0.3	1.4	0.6	--	--
Durable Medical Equipment	4.9	1.1	4.9	2.1	--	--
Nursing Home Care ⁴	58.6	13.2	11.6	4.9	47.0	22.5
Other Personal Health Care	27.1	6.1	--	--	--	13.0

¹ Service categories used in this table are based on the National Health Accounts and differ from those used elsewhere to present program data. For example, expenditures for hospital based ICF-MR hospital based nursing homes and hospital based home health services appear as hospital care rather than nursing home care or as home health services.

² Other professional services include private duty nurses, chiropractors, optometrists, and other licensed health professionals.

³ Includes non-facility based home health care and some Medicaid care delivered in homes.

⁴ Freestanding nursing facilities only.

⁵ Excludes Medicaid SCHIP Expansion & SCHIP.

NOTES: Payments under the Medicaid program are more commonly referred to as medical assistance payments which include vendor payments and certain premiums or per capita payments. The Federal share of total Medicaid payments was 58 percent in calendar year 2001.

SOURCE: CMS/OACT

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National Health Care Trends in Public versus Private Funding **Selected Calendar Years**

Calendar Year	GDP in billions	National Health Expenditures									
		Total		Private Funds				Public Funds			
		Amount in billions	Per Capita	Percent of GDP	Amount in billions	Per Capita	Percent of Total	Amount in billions	Per Capita	Percent of Total	Percent of Total
1965	\$720	\$41.0	\$205	5.7	\$30.8	\$154	75.1	\$10.2	\$51	24.9	24.9
1966	789	45.1	224	5.7	31.6	156	69.9	13.6	67	30.1	30.1
1967	834	50.7	249	6.1	31.8	156	62.8	18.9	93	37.2	37.2
1970	1,040	73.1	348	7.0	45.4	216	62.2	27.6	131	37.8	37.8
1975	1,635	129.8	590	7.9	74.8	340	57.6	55.0	250	42.4	42.4
1980	2,796	245.8	1,067	8.8	140.9	612	57.3	104.8	455	42.7	42.7
1981	3,131	285.1	1,225	9.1	163.9	704	57.5	121.2	521	42.5	42.5
1982	3,259	321.0	1,366	9.8	186.7	794	58.2	134.3	571	41.8	41.8
1983	3,535	353.5	1,489	10.0	206.1	868	58.3	147.5	621	41.7	41.7
1984	3,933	390.1	1,628	9.9	229.3	957	58.8	160.8	671	41.2	41.2
1985	4,213	426.8	1,765	10.1	252.2	1,043	59.1	174.6	722	40.9	40.9
1986	4,453	457.2	1,872	10.3	266.9	1,093	58.4	190.4	780	41.6	41.6
1987	4,742	498.0	2,020	10.5	289.3	1,174	58.1	208.8	847	41.9	41.9
1988	5,108	558.1	2,243	10.9	331.7	1,333	59.4	226.4	910	40.6	40.6
1989	5,489	622.7	2,477	11.3	370.9	1,476	59.6	251.8	1,002	40.4	40.4
1990	5,803	696.0	2,738	12.0	413.5	1,627	59.4	282.5	1,111	40.6	40.6
1991	5,986	761.8	2,966	12.7	441.3	1,718	57.9	320.6	1,248	42.1	42.1
1992	6,319	827.0	3,184	13.1	468.5	1,803	56.6	358.5	1,380	43.4	43.4
1993	6,642	888.1	3,381	13.4	497.7	1,895	56.0	390.4	1,486	44.0	44.0
1994	7,054	937.2	3,534	13.3	509.8	1,922	54.4	427.3	1,611	45.6	45.6
1995	7,400	990.1	3,697	13.4	532.5	1,988	53.8	457.7	1,709	46.2	46.2
1996	7,813	1,039.4	3,847	13.3	557.5	2,063	53.6	481.9	1,784	46.4	46.4
1997	8,318	1,092.7	4,007	13.1	589.2	2,160	53.9	503.6	1,846	46.1	46.1
1998	8,781	1,150.0	4,178	13.1	628.4	2,283	54.6	521.6	1,895	45.4	45.4
1999	9,274	1,219.7	4,392	13.2	669.7	2,411	54.9	550.0	1,980	45.1	45.1
2000	9,825	1,310.0	4,672	13.3	718.7	2,563	54.9	591.3	2,109	45.1	45.1
2001	10,082	1,424.5	5,035	14.1	777.9	2,749	54.6	646.7	2,286	45.4	45.4

NOTES: These data reflect Bureau of Economic Analysis Gross Domestic Product as of October 2001. Per capita is calculated using Census resident based population estimates.

SOURCES: CMS/OACT; U.S. Bureau of the Census; and U.S. Department of Commerce, Bureau of Economic Analysis.

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National Health Care Source of Funds ¹
Selected Calendar Years

	1965	1970	1975	1980	1985	1990	1995	1997	1998	1999	2000	2001
Total in billions	\$41.0	\$73.1	\$129.8	\$245.8	\$426.8	\$696.0	\$990.1	\$1,092.7	\$1,150.0	\$1,219.7	\$1,310.0	\$1,424.5
	Percent Distribution											
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Private Funds	75.1	62.2	57.6	57.3	59.1	59.4	53.8	53.9	54.6	54.9	54.9	54.6
Out-of-Pocket	44.3	34.3	28.8	23.7	22.4	19.7	14.8	14.8	15.2	15.1	14.9	14.4
Private Health Insurance	24.6	21.3	23.4	27.8	30.5	33.5	33.2	32.9	33.2	33.8	34.3	34.8
Other Private	6.3	6.6	5.5	5.9	6.3	6.1	5.8	6.1	6.2	6.0	5.7	5.4
Federal Government	11.4	24.1	27.8	29.0	28.6	27.7	32.7	33.0	32.1	31.7	31.7	31.9
Medicare	--	10.5	12.6	15.2	16.8	15.8	18.6	19.2	18.3	17.5	17.1	17.0
Federal Medicaid	--	3.9	5.7	5.9	5.3	6.1	8.7	8.7	8.7	8.9	9.0	9.1
Other Federal ²	11.4	9.7	9.5	7.9	6.5	5.7	5.4	5.1	5.1	5.3	5.6	5.8
State/Local Government	13.5	13.7	14.5	13.6	12.3	12.9	13.6	13.1	13.3	13.4	13.4	13.5
State Medicaid	--	3.3	4.6	4.7	4.3	4.5	5.8	5.9	6.2	6.4	6.5	6.6
Other State/Local ²	13.5	10.4	9.9	8.9	8.0	8.4	7.7	7.2	7.1	7.0	7.0	6.8

¹ Includes personal health care, expenses for prepayment and administration, government public health activities, and research and medical facilities construction.

² 1998 and later, Includes Medicaid SCHIP Expansion and SCHIP.

NOTE: Totals do not necessarily equal the sum of rounded components.

SOURCE: CMS/OACT

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**Personal Health Care Payment Source ¹
Selected Calendar Years**

	1965	1970	1975	1980	1985	1990	1995	1997	1998	1999	2000	2001
Total in billions	\$34.7	\$63.2	\$113.0	\$214.6	\$372.3	\$609.4	\$865.7	\$959.2	\$1,009.4	\$1,064.6	\$1,137.6	\$1,236.4
	Percent Distribution											
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Private Funds	79.6	64.8	60.2	59.7	60.6	61.0	55.3	55.5	56.6	57.0	57.0	56.6
Private Health Insurance	25.1	22.3	24.4	28.3	29.9	33.4	33.3	33.3	33.8	34.4	34.9	35.4
Out-of-Pocket	52.3	39.7	33.1	27.1	25.6	22.5	16.9	16.9	17.4	17.3	17.1	16.6
Other Private	2.2	2.8	2.7	4.3	5.1	5.0	5.1	5.4	5.4	5.3	4.9	4.6
Public Funds	20.4	35.2	39.8	40.3	39.4	39.0	44.7	44.5	43.4	43.0	43.0	43.4
Federal ²	8.1	22.9	27.1	29.3	29.5	28.6	34.2	34.4	33.2	32.6	32.6	32.9
State and Local ²	12.3	12.3	12.7	11.1	10.0	10.5	10.5	10.1	10.2	10.3	10.4	10.6

¹ Excludes administrative expenses, research, construction, and other types of spending that are not directed at patient care.

² 1998 and later, includes Medicaid SCHIP Expansion and SCHIP.

NOTE: Totals do not necessarily equal the sum of rounded components.

SOURCE: CMS/OACT

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National Medical Care Price Indicators
(1982-1984=100)
Average Annual Index

Fiscal Year ¹	CPI		CPI - Medical Care										Commodities	
	All items		All Services		Services								Commodities	
					Hospital and Related Services				Physicians' Services					
	Total	Less Medical	Total	Less Medical	Total	Hospital Services	Inpatient Services	Outpatient Services	Total	Physicians' Services	Physicians' Services	Prescription Drugs	Total	Drugs
Year Ending June:														
1965	31.2	31.7	26.3	27.1	24.9	--	--	--	22.3	--	24.6 ²	45.0 ²	45.0 ²	48.0 ²
1970	37.8	38.1	33.7	34.3	32.9	--	--	--	31.2	--	33.2	45.8	45.8	47.1
1975	51.8	52.3	46.1	46.5	45.1	--	--	--	44.2	--	45.7	51.3	51.3	49.7
Year Ending September:														
1980	80.0	80.4	75.4	75.6	73.0	--	--	--	72.9	--	74.6	73.7	73.7	70.8
1985	106.6	106.3	108.6	108.3	111.7	--	--	--	114.7	--	111.5	113.3	113.3	117.6
1990	128.7	126.9	137.2	135.0	159.2	--	--	--	158.9	--	158.0	160.2	160.2	177.5
1995	151.4	147.6	167.2	162.2	218.3	--	--	--	221.7	--	206.6	203.6	203.6	233.9
1996	155.6	151.6	172.7	167.3	226.5	--	--	--	230.6	--	214.7	208.9	208.9	240.9
1997	159.8	155.6	178.1	172.6	233.1	3 ³	3 ³	222.5	237.5	221.4	221.4	214.3	214.3	248.1
1998	162.4	158.0	183.1	177.3	240.1	104.1	103.2	230.9	244.8	227.6	227.6	219.7	219.7	255.4
1999	165.5	160.9	187.6	181.6	248.4	108.1	106.7	242.2	252.9	234.5	234.5	228.4	228.4	269.5
2000	170.8	166.0	193.5	187.1	258.1	114.0	112.1	259.0	263.0	242.4	242.4	236.5	236.5	282.9
2001	176.3	171.2	201.6	194.9	269.7	121.6	119.0	276.8	275.5	251.4	251.4	244.9	244.9	296.4
2002	178.9	173.4	208.1	201.0	282.2	131.6	128.4	300.8	289.0	258.7	258.7	254.4	254.4	312.9

¹ Revisions to scope, concept and methodology related to the CPI, beginning in January 1997, make comparisons with earlier periods tenuous, as the goods or services priced in 1997 and later years may differ from that priced in 1996 and earlier years. Also, shifts of the weights assigned to various goods and services have altered the composition of aggregate indexes such as "all items" and "medical care". For changes in titles of components and in definitions, see Bureau of Labor Statistics, CPI Detailed Report, January 2001.

² Calculated based on reported June 1964, December 1964 and June 1965 index levels.

³ New series began in January 1997; fiscal year annual average cannot be calculated.

SOURCES: CMS/OACT and U.S. Department of Labor, Bureau of Labor Statistics

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National Medical Care Price Indicators

(1982-1984=100)

Average Annual Percent Change from Last Year Shown ¹

Fiscal Year ²	CPI			CPI - Medical Care										Commodities	
	All Items		Less Medical	All Services			Services								
	Total	Less Medical		Total	Medical	Less	Hospital and Related Services			Physicians' Services				Total	Prescription Drugs
							Total	Total	Total	Hospital Services	Inpatient Services	Outpatient Services	Physicians' Services	Total	
Year Ending June:															
1965	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
1970	3.9	3.7	4.8	5.1	4.8	5.7	6.9	--	--	--	--	6.1	0.4	-0.4	
1975	6.5	6.5	6.3	6.5	6.3	6.5	7.2	--	--	--	--	6.6	2.3	1.1	
Year Ending September:															
1980	8.6	8.6	9.8	9.9	9.8	9.5	9.9	--	--	--	--	9.7	7.1	7.0	
1985	5.9	5.7	7.5	7.6	7.5	8.9	8.9	11.4	--	--	--	8.4	9.0	10.7	
1990	3.8	3.6	4.5	4.8	4.5	7.3	7.4	8.6	--	--	--	7.2	7.2	8.6	
1995	3.3	3.1	3.7	4.0	3.7	6.5	6.9	8.0	--	--	8.4	5.5	4.9	5.7	
1996	2.8	2.7	3.1	3.3	3.1	3.8	4.0	4.7	--	--	5.2	3.9	2.6	3.0	
1997	2.7	2.6	3.2	3.1	3.2	2.9	3.0	3.6	--	--	4.6	3.1	2.6	3.0	
1998	1.6	1.5	2.7	2.8	2.7	3.0	3.1	3.2	3	3	3.8	2.8	2.5	2.9	
1999	1.9	1.8	2.4	2.5	2.4	3.5	3.3	3.8	3.8	3.4	4.9	3.0	4.0	5.5	
2000	3.2	3.2	3.1	3.1	3.1	3.9	4.0	5.5	5.5	5.1	6.9	3.4	3.5	5.0	
2001	3.2	3.1	4.1	4.2	4.1	4.5	4.8	6.6	6.6	6.2	6.8	3.7	3.6	4.8	
2002	1.5	1.3	3.1	3.2	3.1	4.6	4.9	8.1	8.2	7.9	8.7	2.9	3.9	5.6	

¹ Based on average of monthly figures for given years. Percent change for 1980 year ending September is calculated as the average annual growth from year ending September 1975 to year ending September 1980.

² Revisions to scope, concept, and methodology related to the CPI, beginning in January 1997, make comparisons with earlier periods tenuous, as the goods or services priced in 1997 and later years may differ from that priced in 1996 and earlier years. Also, shifts of the weights assigned to various goods and services have altered the composition of aggregate indexes such as "all items" and "medical care". For changes in titles of components and in definitions, see Bureau of Labor Statistics, CPI Detailed Report, January 2001.

³ New series begins in January 1997; fiscal year annual average percent change cannot be calculated.

SOURCES: CMS/OACT and U.S. Department of Labor, Bureau of Labor Statistics

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III. ADMINISTRATIVE/OPERATING

Information in this section concerns activities and services related to the oversight of the day-to-day operations of CMS programs. Current and trend data on trust fund operations, contractor performance and administrative costs are included.

HIGHLIGHTS

- o *Medicare Hospital Insurance (HI) benefit payments grew from \$2.5 billion in FY 1967 to \$145.6 billion in FY 2002 (FY 2003 HI Trustees' Report). The Medicare Supplementary Medical Insurance (SMI) benefit payments increased from \$0.7 billion in FY 1967 to \$107.0 billion in FY 2002 (FY 2003 SMI Trustees' Report). The greatest increase to both programs occurred between 1970 and 1980, due to the addition of coverage for disabled persons beginning in 1973.*
- o *Medicare total HI and SMI administrative expenses as a percent of total HI and SMI benefit payments decreased from 7.1 percent in FY 1967 to 1.7 percent in FY 2002.*
- o *As of July 2003, Medicare had 28 intermediaries and 20 carriers processing claims. Between 2001 and 2002 Part A unit costs dropped slightly from \$0.86 to \$0.85 per claim, while Part B unit costs decreased slightly over the same period, from \$0.61 to \$0.60.*
- o *In FY 2002, covered charges on assigned claims were reduced an average of \$135.31. Covered charges on unassigned claims in FY 2002 were reduced an average of \$21.01.*

**Medicare Operations of the SMI Trust Fund
Selected Fiscal Years**

Fiscal Year ¹	Income			Disbursements			Trust Fund		
	Premiums from Participants	Government Contribu- tions ²	Interest and Other Income ³	Total Income	Benefit Payments	Adminis- trative Expenses	Total Disburse- ments	Net Increase In Fund	Fund at End of Year ⁴
Amount in millions									
1967	\$647	\$623	\$15	\$1,285	\$664	\$135 ⁵	\$799	\$486	\$486
1970	936	928	12	1,876	1,979	217	2,196	-321	57
1975	1,887	2,330	105	4,322	3,765	405	4,170	152	1,424
1980	2,928	6,932	415	10,275	10,144	593	10,737	-462	4,532
1985	5,524	17,898	1,155	24,577	21,808	922	22,730	1,847	10,646
1990	11,494 ⁶	33,210 ⁶	1,434 ⁶	46,138 ⁶	41,498	1,524 ⁶	43,022 ⁶	3,115 ⁶	14,527 ⁶
1995	19,244	36,988 ⁷	1,937	58,169	63,491	1,722	65,213	-7,045	13,874 ⁷
1996	18,931	61,702 ⁷	1,392	82,025	67,176	1,771	68,946	13,079	26,953 ⁷
1997	19,141	59,471	2,193	80,806	71,133	1,420	72,553	8,253	35,206
1998	19,427	59,919	2,608	81,955	74,837 ⁸	1,435	76,272	5,683	40,889
1999	20,160	62,185	2,933	85,278	79,008 ⁸	1,510	80,518	4,760	45,649
2000	20,515	65,561	3,164	89,239	87,212 ⁸	1,780	88,992	247	45,896
2001	22,307	69,838	3,191	95,336	97,466 ⁸	1,986	99,452	-4,116	41,780
2002	24,427	78,318	2,960	105,705	106,995 ⁸	1,830	108,825	-3,121	38,659

¹ Fiscal years 1975 and earlier consist of the 12 months ending on June 30 of each year; fiscal years 1980 and later consist of the 12 months ending on September 30 of each year.

² The payments shown as being from the general fund of the Treasury include certain interest-adjustment items.

³ Other income includes recoveries of amounts reimbursed from the trust fund that are not obligations of the trust fund and other miscellaneous income.

⁴ The financial status of the program depends on both the total net assets and the liabilities of the program.

⁵ Administrative expenses shown include those paid in fiscal years 1986 and 1987.

⁶ Includes the impact of the Medicare Catastrophic Coverage Act of 1988 (P.L. 100-360).

⁷ General fund transfers of \$6.7 billion could not be made in FY 1995 due to the absence of funding. Subsequently, a transfer was made in March 1996.

⁸ Benefit payments less monies transferred from the HI trust fund for home health agency costs, as provided by P.L. 105-33.

NOTE: Totals do not necessarily equal the sum of rounded components.

SOURCE: CMS/OACT

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Medicare SMI Trust Fund Income Selected Fiscal Years

Fiscal Year	Total Income (less interest)	Premiums from Participants			Government Contributions ^{1,2}		
		Total	Aged	Disabled	Total	Aged	Disabled
Amount in millions							
1967	\$1,270	\$647	\$647	--	\$623	\$623	--
1970	1,863	936	936	--	928	928	--
1975	4,217	1,887	1,736	\$151	2,330	1,711	\$619
1980	9,860	2,928	2,637	291	6,932	5,608	1,324
1985	23,422	5,524	5,042	482	17,898	15,072	2,826
1990	44,704	11,494 ³	10,138	995	33,210	31,107	2,103
1995	56,232	19,244	17,126	2,117	36,988	31,146	5,842
1996	80,633	18,931	16,858	2,073	61,702	52,353	9,349
1997	78,613	19,141	16,984	2,158	59,471	51,082	8,390
1998	79,346	19,427	17,153	2,274	59,919	51,483	8,436
1999	82,345	20,160	17,722	2,438	62,185	53,653	8,532
2000	86,076	20,515	17,961	2,554	65,561	54,741	10,820
2001	92,146	22,307	19,447	2,861	69,838	57,817	12,021
2002	102,744	24,427	21,173	3,254	78,318	65,650	12,668
Percent change							
1967-2002	7,990	3,675	3,172	--	12,471	10,438	--
1975-2002	2,336	1,194	1,120	2,055	3,261	3,737	1,947
1999-2000	5	2	1	5	5	2	27
2000-2001	7	9	8	12	7	6	11
2001-2002	12	10	9	14	12	14	5

¹ Interest on delayed transfers from general funds is included.

² Government contributions include not only amounts to help cover program costs but adjustments to the assets to account for contingencies. Since the financing rates to determine both premium rates and government contributions are set prospectively, the financing may not be adequate to cover actual program expenditures. Consequently, trust fund assets contain contingency levels to cover the impact of a reasonable degree of variation between actual and projected expenditures. The government contributions include adjustments to maintain adequate contingency levels. Some of the adjustments increase the contingency levels when they have been depleted and in other cases decrease the levels when they are more than sufficient.

³ Total includes the catastrophic premiums due to the Medicare Catastrophic Coverage Act of 1988 (P.L. 100-360).

NOTES: Totals do not necessarily equal the sum of rounded components. For more detail on fund transactions, see "Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds." Legislation mandates that from January 1984 through December 1990, and January 1996 and thereafter the monthly premium for aged enrollees be kept at a constant 25 percent of expected monthly cost, i.e., one half the actuarial rate.

SOURCE: CMS/OACT

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**Medicare Operations of the HI Trust Fund
Selected Fiscal Years**

Fiscal Year ¹	Income					Disbursements			Trust Fund		
	Transfers from Railroad Retirement Account	Transfers for Uninsured Persons	Reimbursement for Voluntary Enrollees	Payments for Military Wage Credits	Interest and Other Income ²	Total Income	Benefit Payments ³	Administrative Expenses ⁴	Total Disbursements	Net Increase in Fund	Fund at End of Year
	Amount in millions										
1967	\$2,689	\$16	\$327	\$11	\$46	\$3,089	\$2,508	\$89	\$2,597	\$492	\$1,343
1970	4,785	64	617	11	137	5,614	4,804	149	4,953	661	2,677
1975	11,291	132	481	48	609	12,568	10,353	259	10,612	1,956	9,870
1980	23,244	244	697	141	1,072	25,415	23,790	497	24,288	1,127	14,490
1985	46,490	371	766	86	3,182	50,933	47,841	813	48,654	4,103 ⁵	21,277
1990	70,655	367	413	107	7,908	79,563	65,912	774	66,687	12,876	95,631
1995	98,053	396	462	61	14,876	114,847	113,583	1,300	114,883	-36	129,520
1996	106,934	401	419	-2,293 ⁶	14,565	121,135	124,088	1,229	125,317	-4,182	125,338
1997	112,725	419	481	70	13,575	128,548	136,175	1,661	137,836	-9,287	116,050
1998	121,913	419	34	67	14,449	138,203	135,487 ⁷	1,653	137,140	1,063	117,113
1999	134,385	430	652	71	16,075	153,015	129,463 ⁷	1,978	131,441	21,570	138,687
2000	137,738	465	470	2	19,614	159,681	127,934 ⁷	2,350	130,284	29,397	168,084
2001	151,931	470	453	-1,175 ⁸	17,696	171,014	139,356 ⁷	2,368	141,723	29,290	197,374
2002	151,575	425	442	0	25,796	179,762	145,566 ⁷	2,464	148,031	31,731	229,105

¹ Fiscal years 1975 and earlier consist of the 12 months ending on June 30 of each year; fiscal years 1980 and later consist of the 12 months ending on September 30 of each year.

² Other income includes recoveries of amounts reimbursed from the trust fund income that are not obligations of the trust fund, taxation of benefits, receipts from the fraud and abuse control program, and a small amount of miscellaneous income.

³ Includes cost of Peer Review Organizations (beginning with the implementation of the Prospective Payment System on October 1, 1983), and costs of Quality Improvement Organizations beginning in 2002.

⁴ Includes cost of experiments and demonstration projects and non-expenditure transfers for Health Care Fraud and Abuse Control.

⁵ Includes repayment of loan principal from Old Age Survivors Insurance trust fund of \$1,824 million.

⁶ Includes the lump sum general revenue transfer of -\$2,366 million, as provided for by section 151 of P.L. 98-21.

⁷ Benefit payments plus monies transferred to the SMI trust fund for home health agency costs, as provided by P.L. 105-33.

⁸ Includes the lump sum general revenue transfer of -\$1,177 million, as provided for by section 151 of P.L. 98-21.

NOTE: Totals do not necessarily equal the sum of rounded components.

SOURCE: CMS/OACT

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**Medicare Ratio of SMI Benefit Payments to Premium Income
Selected Fiscal Years**

Fiscal Year	Benefit Payments			Ratio of Benefit Payments to Premium Income		
	Total	Aged	Disabled	Total	Aged	Disabled
Amount in Millions						
1967	\$664	\$664	--	1.0	1.0	--
1970	1,979	1,979	--	2.1	2.1	--
1975	3,765	3,289	\$476	2.0	1.9	3.2
1980	10,144	8,497	1,647	3.5	3.2	5.7
1985	21,808	19,077	2,731	3.9	3.8	5.7
1990	41,498	36,837	4,661	3.7	3.6	4.7
1995	63,491	54,831	8,660	3.3	3.2	4.1
1996	67,176	57,816	9,360	3.5	3.4	4.5
1997	71,133	61,002	10,131	3.7	3.6	4.7
1998	75,815	65,144	10,670	3.9	3.8	4.7
1999	79,187	68,025	11,162	3.9	3.8	4.6
2000	88,918	76,450	12,468	4.3	4.3	4.9
2001	100,569	86,078	14,491	4.5	4.4	5.1
2002	108,163	91,868	16,295	4.4	4.3	5.0
Percent change						
1967-2002	16,190	13,736	--			
1975-2002	2,773	2,693	3,323			
1997-1998	7	7	5			
1998-1999	4	4	5			
1999-2000	12	12	12			
2000-2001	13	13	16			
2001-2002	8	7	12			

NOTE: For more detail on fund transactions, see "Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds."

SOURCE: CMS/OACT

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**Medicare Administrative Expenses
Selected Fiscal Years**

Fiscal Year	Administrative Expenses	
	Amount in Millions	Percent of Benefit Payments
HI Trust Fund		
1967	\$89	3.5
1970	149	3.1
1975	259	2.5
1980	497	2.1
1985	813	1.7
1990	774	1.2
1995	1,300	1.1
1996	1,229	1.0
1997	1,661 ¹	1.2
1998	1,653 ¹	1.2
1999	1,978 ¹	1.5
2000	2,350 ¹	1.9
2001	2,368 ¹	1.7
2002	2,464 ¹	1.7
SMI Trust Fund		
1967	135 ²	20.3
1970	217	11.0
1975	405	10.8
1980	593	5.8
1985	922	4.2
1990	1,524	3.7
1995	1,722	2.7
1996	1,771	2.6
1997	1,420	2.0
1998	1,435	1.9
1999	1,510	1.9
2000	1,780	2.0
2001	1,986	2.0
2002	1,830	1.7

¹ Includes non-expenditure transfers for Health Care Fraud and Abuse Control.

² Includes expenses paid in fiscal years 1966 and 1967.

SOURCE: CMS/OACT

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Medicare Contractors 2003

	Intermediaries	Carriers
Blue Cross/Blue Shield	26	15
Other	2	5

NOTE: Data as of July 2003.

SOURCE: CMS/OFM

Medicare Claims Processing Costs Selected Fiscal Years

	Net Unit Cost per Claim						
	1975	1980	1985	1990	2000	2001	2002
Intermediaries ¹	\$3.84	\$2.96	\$2.33	\$1.86	\$0.86 ³	\$0.86 ³	\$0.85 ³
Carriers ²	\$2.90	\$2.33	\$1.88	\$1.56	\$0.63	\$0.61	\$0.60

¹ Includes direct costs and overhead costs for bill payment, reconsiderations and hearings lines.

² Includes direct costs and overhead costs for the claims payment, reviews and hearings, and beneficiary/physician inquiries lines.

³ Beginning in FY 1998, inquiries and PET activities are separated from other bill payment cost for intermediaries.

SOURCE: CMS/OFM

**Medicare Appeals
Fiscal Years 2001 - 2002**

	2001		2002	
	Intermediary Reconsiderations	Carrier Reviews	Intermediary Reconsiderations	Carrier Reviews
Number Processed	50,143	3,722,068	34,739	3,898,383
Percent With Increased Payments	25.1	64.3	28.0	61.8

SOURCE: CMS/OFM

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Medicare Physician/Supplier Claims Charge Reductions
Selected Fiscal years 1980 - 2002

Fiscal Year	Claims Approved		Total Covered Charges		
	Number in thousands	Percent Reduced	Amount in millions	Percent Reduced	Amount Reduced per Claim
<u>Assigned (HCFA-1490/1500)</u>					
1980	70,937	80.0	\$6,878	22.5	\$21.81
1985	168,587	81.7	20,743	27.0	33.19
1986	188,075	82.5	24,108	28.4	36.43
1987	222,277	83.0	29,436	27.9	36.90
1988	264,096	85.5	36,083	29.3	39.97
1989	295,666	86.3	41,852	30.9	43.72
1990	329,061	87.6	48,711	32.6	48.22
1991	373,250	86.7	57,547	35.2	54.20
1992	406,502	87.0	66,062	39.2	63.60
1993	446,475	88.2	74,261	42.1	70.08
1994	496,264	88.1	82,855	42.5	71.03
1995	534,972	86.4	91,672	42.2	72.31
1996	544,639	87.1	96,205	44.4	78.42
1997	564,461	87.5	102,279	45.7	82.74
1998	573,077	87.6	105,682	46.5	85.91
1999	586,227	88.7	113,008	47.5	91.76
2000	612,875	88.3	124,024	47.7	96.69
2001	646,131	87.7	139,272	47.9	103.22
2002	722,826	87.7	152,373	56.3	135.31
<u>Unassigned (HCFA-1490/1500)</u>					
1980	66,207	83.7	\$6,527	22.3	\$21.96
1985	77,646	84.6	10,051	25.6	33.12
1986	84,853	84.9	10,581	26.6	33.15
1987	85,160	82.5	10,516	25.5	31.44
1988	78,484	85.7	9,351	24.7	29.47
1989	74,621	89.2	8,794	25.2	29.67
1990	75,879	90.3	8,702	25.3	28.97
1991	78,450	90.7	8,134	24.0	24.84
1992	69,522	85.4	6,671	19.8	18.95
1993	54,096	85.5	4,724	16.9	14.75
1994	42,544	86.7	3,489	16.4	13.45
1995	32,695	83.9	2,725	15.6	13.01
1996	24,390	84.5	2,071	15.6	13.22
1997	19,765	84.4	1,726	16.3	14.23
1998	16,051	82.9	1,450	16.9	15.26
1999	14,061	81.6	1,321	17.5	16.49
2000	13,128	79.4	1,301	18.1	17.85
2001	12,200	77.7	1,254	18.1	18.59
2002	11,352	79.8	1,107	17.2	21.01

NOTE: Charge reduction is the total dollar amount reduced as a result of charge determination made by a carrier.

SOURCE: CMS/OFM

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Name		Address		City		State		Zip	

**Medicare Charge Determination Data for Physician/Supplier Claims
Selected Fiscal Years 1975-2002**

Fiscal Year	Claims Paid or Applied to Deductible		Claims on Which Charge Reductions Were Made				
	Number in thousands	Total Covered Charges in thousands	Number in thousands	Percent of Claims Paid or Applied to Deductible	Amount of Reduction		Avg. Amount per Approved Claim
					Total in thousands	Percent of Covered Charges	
1975	75,694	\$5,324,636	50,738	67.0	\$863,847	16.2	\$11.41
1980	145,157	13,765,039	113,707	78.3	3,063,364	22.3	21.10
1985	246,337	30,800,071	203,405	82.6	8,168,817	26.5	33.16
1986	272,969	34,692,565	227,127	83.2	9,664,309	27.9	35.40
1987	307,437	39,952,727	254,672	82.8	10,879,839	27.2	35.39
1988	342,580	45,434,338	293,027	85.5	12,867,579	28.3	37.56
1989	370,288	50,646,122	321,851	86.9	15,139,981	29.9	40.89
1990	404,939	57,413,496	356,775	88.1	18,063,716	31.5	44.61
1991	451,700	65,680,424	394,615	87.4	22,179,014	33.8	49.10
1992	476,024	72,733,350	413,095	86.8	27,170,734	37.4	57.08
1993	500,572	78,984,666	439,888	87.9	32,089,244	40.6	64.11
1994	538,808	86,344,476	473,907	88.0	35,823,544	41.5	66.49
1995	567,666	94,396,848	489,467	86.2	39,108,517	41.4	68.89
1996	569,029	98,276,302	494,764	86.9	43,035,169	43.8	75.63
1997	584,226	104,004,862	510,568	87.4	46,987,436	45.2	80.43
1998	589,128	107,132,423	515,427	87.5	49,475,682	46.2	83.98
1999	600,288	114,329,416	531,776	88.6	54,023,415	47.3	90.00
2000	626,003	125,325,545	551,784	88.1	59,491,359	47.5	95.03
2001	658,003	140,525,531	576,428	87.6	66,918,719	47.6	101.65
2002	721,854	164,157,590	637,918	88.4	82,053,460	50.0	113.67

NOTE: Data prior to July 1, 1976 exclude claims handled by the Social Security Administration's Office of Direct Reimbursement.

SOURCE: CMS/OFM

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Medicaid Administrative Expenses
Fiscal Years 2000 - 2002

	2000	2001	2002
Amount in thousands			
Total Payments Computable for Federal Funding ¹	\$10,577,053	\$11,880,615	\$11,931,761
Federal Share ¹			
Family Planning			
Design, Development or Installation of MMIS ²	\$24,045	\$23,198	\$24,246
Skilled Professional Medical Personnel	73,439	141,923	248,448
Operation of an Approved MMIS	391,825	327,814	370,312
Mechanized Systems Not Approved Under MMIS ²	847,718	962,534	1,006,146
All Other	68,811	82,503	76,930
Total Federal Share	4,486,357	5,017,419	4,875,267
	\$5,892,195	\$6,555,391	\$6,601,349
Net Adjusted Federal Share ³	\$5,732,484	\$6,357,267	\$6,976,026

¹ Source: Form CMS-64 (Net Expenditures Reported -- Administration).

² Medicaid Management Information System.

³ Includes CMS adjustments.

SOURCE: CMS/CMSO

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IV. POPULATIONS

Information about persons covered by Medicare Hospital Insurance (HI) and Supplementary Medical Insurance (SMI) and Medicaid.

Medicare statistics are based on persons enrolled for coverage. Medicaid recipient counts are used as a surrogate of persons eligible for coverage. Current and trend data showing demographic and eligibility category distributions are included.

HIGHLIGHTS

- o In 2002, 85 percent of the Medicare population was age 65 and over.*
- o An estimated 95 percent of the total aged population has some type of Medicare coverage.*
- o In 2002, approximately 93.0 percent of the total Medicare population was covered by both Part A and Part B.*
- o The Medicare Part A beneficiaries ages 85 and over, as a percent of all aged beneficiaries, increased from 6.2 percent in 1966 to 12.7 percent in 2002. During this same time period, the 65 to 69 year age group, as a percent of all aged beneficiaries, decreased from 34.1 percent in 1966 to 26.9 percent in 2002.*
- o The Medicare female beneficiaries enrolled in Medicare Part A, as a percent of all aged beneficiaries, increased from 57.4 percent in 1966 to 58.2 percent in 2002. During this same time period, the Medicare male beneficiaries enrolled in Medicare Part A, as a percent of all aged beneficiaries, decreased from 42.6 percent in 1966 to 41.8 percent in 2002.*
- o There has been an increase of 11.1 percent in the number of Medicare State Buy-Ins between 1999 and 2002.*

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**Medicare Enrollees
Selected Years**

	1975	1980	1985	1990	1995	2000	2001	2002	2003	2004
	Number in millions									
HI and/or SMI										
Total	24.9	28.4	31.1	34.3	37.6	39.7	40.1	40.7	41.1	41.7
Aged	22.7	25.5	28.1	31.0	33.2	34.3	34.5	34.7	35.0	35.3
Disabled	2.2	3.0	2.9	3.3	4.4	5.4	5.6	6.0	6.1	6.4
HI										
Total	24.5	28.0	30.6	33.7	37.2	39.3	39.7	40.3	40.7	41.3
Aged	22.3	25.0	27.7	30.5	32.7	33.8	34.0	34.3	34.6	34.9
Disabled	2.2	3.0	2.9	3.3	4.4	5.4	5.6	6.0	6.1	6.4
SMI										
Total	23.7	27.3	29.9	32.6	35.6	37.3	37.7	38.0	38.5	39.0
Aged	21.8	24.6	27.2	29.6	31.7	32.6	32.7	32.9	33.1	33.4
Disabled	1.9	2.7	2.7	2.9	3.9	4.8	4.9	5.1	5.4	5.6
HI and SMI	23.4	26.8	29.4	32.1	35.2	36.9	37.2	37.6	38.1	38.6
HI Only	1.1	1.2	1.2	1.7	2.0	2.4	2.4	2.7	2.6	2.7
SMI Only	0.4	0.4	0.5	0.5	0.4	0.4	0.4	0.4	0.4	0.4

NOTES: Data through 2002 are historical and may have been revised from earlier editions. Data for FY 2003 and FY 2004 represent projections.

SOURCE: CMS/OACT

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**Medicare HI and/or SMI Enrollment Demographics
2002**

	Total	Male	Female
All Persons	40,488,871	17,611,865	22,877,006
Aged Persons	34,668,073	14,411,865	20,256,208
65 - 74	17,758,208	8,139,843	9,618,365
75 - 84	12,464,716	4,971,089	7,493,627
85 and over	4,445,149	1,300,933	3,144,216
Disabled Persons	5,820,798	3,200,000	2,620,798
Under 45	1,679,135	958,752	720,383
45 - 54	1,798,469	993,658	804,811
55 - 64	2,343,194	1,247,590	1,095,604
White	34,275,473	14,893,674	19,381,799
Black	3,877,608	1,643,205	2,234,403
All Other	2,244,509	1,043,322	1,201,187
Native American	141,698	63,853	77,845
Asian/Pacific Islander	600,753	261,100	339,653
Hispanic	935,215	442,490	492,725
Other	566,843	275,879	290,964
Unknown Race	91,281	31,664	59,617

NOTES: Data as of July 1 based on the 100% Denominator File. Data by race are shown by the expanded categories specified by the Office of Management and Budget's Statistical Directive 15 (Federal Register, 1978). The use of the category of Other reflects CMS's use of SSA's Master Beneficiary Record which was not expanded. See Arday et al., "HCFA's Racial and Ethnic Data: Current Accuracy and Recent Improvements," HCF Review, Vol. 21, No. 4.

SOURCE: CMS/ORDI

**Medicare HI and/or SMI Enrollment End Stage Renal Disease Demographics
2002**

	Number of Enrollees
All Persons	379,434
Age	
Under 35	29,119
35-44	40,505
45-64	142,643
65 and over	167,167
Sex	
Male	207,235
Female	172,199
Race	
White	212,168
Non-white	166,222
Unknown	1,044

NOTES: Data reflect persons ever enrolled during the year. Based on the 2002 Denominator File.

SOURCE: CMS/ORDI

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Medicare HI Enrollment Demographics Selected Years

Year	Number in thousands	Percent Distribution by Age					Median Age in Years	
		Total	65-69	70-74	75-79	80-84		85+
1966	19,082	100.0	34.1	28.7	19.8	11.2	6.2	72.6
1970	20,361	100.0	33.3	27.2	20.3	12.0	7.2	73.0
1975	22,472	100.0	33.5	26.3	19.3	12.5	8.4	73.0
1980	25,104	100.0	33.1	26.3	18.8	12.2	9.6	73.0
1985	27,683	100.0	31.9	26.3	19.2	12.3	10.3	73.3
1990	30,464	100.0	31.4	25.7	19.5	12.7	10.7	73.5
1995	32,742	100.0	28.7	26.4	19.8	13.5	11.6	74.0
1999	33,519	100.0	26.8	25.5	21.3	14.0	12.4	74.6
2000	33,841	100.0	26.9	25.1	21.3	14.2	12.6	74.6
2001	34,039	100.0	26.8	24.8	21.1	14.5	12.7	74.7
2002	34,380	100.0	26.9	24.6	21.1	15.0	12.4	74.7

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Year	All Persons	Percent Distribution of Aged Enrollees by Sex and Race						
		Male			Female			
		Total	White	Non- White	Unknown	Total	White	Non- White
1966	100.0	42.6	38.6	3.4	0.6	57.4	50.8	4.1
1970	100.0	41.8	37.4	3.5	0.9	58.2	51.9	4.4
1975	100.0	40.8	36.2	3.6	1.0	59.2	52.8	4.7
1980	100.0	40.4	35.7	3.7	1.1	59.5	52.9	4.9
1985	100.0	40.3	35.4	3.7	1.2	59.7	52.8	5.1
1990	100.0	40.3	35.2	3.9	1.2	59.7	52.1	5.8
1995	100.0	40.7	35.9	3.8	1.0	59.3	52.2	5.8
1999	100.0	41.0	35.6	3.8	1.5	59.0	50.8	6.1
2000	100.0	41.3	36.2	5.0	0.1	58.7	51.2	7.3
2001	100.0	41.5	36.3	5.1	0.1	58.5	50.9	7.4
2002	100.0	41.7	36.4	5.3	0.1	58.3	50.6	7.6

NOTES: Data as of July. Totals do not necessarily equal the sum of rounded components. Beginning in 2000, the 100% Denominator File was used for preparing estimates of distribution by age groups and race. The detail on race available in that source allows additional breakdowns of some non-white enrollees formerly classified as unknown.

SOURCES: CMS/OIS/ORDI

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**Medicare State Buy-Ins for SMI
1999 - 2002**

Type of Beneficiary ¹	1999	2000	2001	2002
All Persons				
Number	5,391,704	5,549,170	5,744,330	5,990,769
Percent of SMI Enrolled	14.5	14.9	15.2	15.1
Aged				
Number	3,562,777	3,632,069	3,713,670	3,832,036
Percent of SMI Enrolled	11.0	11.1	11.3	11.3
Disabled				
Number	1,828,927	1,917,101	2,030,660	2,158,731
Percent of SMI Enrolled	40.5	41.2	41.2	40.4

¹ Buy-ins represent beneficiaries in person-years for whom the State paid the Medicare SMI premium during the year. Percent calculated using Part B person-years.

SOURCE: CMS/ORDI

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Medicaid Enrollment and Beneficiaries **Selected Fiscal Years**

	1975	1980	1985	1990	1995	1999	2000	2001	2002	2003	2004
Enrollment (person-years)											
Total	NA	NA	NA	22.9	33.4	32.8	34.0	37.7	39.9	41.4	42.4
Aged	NA	NA	NA	3.1	3.7	3.8	3.9	4.0	4.2	4.3	4.3
Blind/Disabled	NA	NA	NA	3.8	5.8	6.6	6.8	7.2	7.5	7.8	7.9
Children	NA	NA	NA	10.7	16.5	16.3	16.7	17.5	18.4	19.1	19.6
Adults	NA	NA	NA	4.9	6.7	6.2	6.7	8.9	9.8	10.3	10.6
Other Title XIX	NA	NA	NA	0.5	0.6	NA	NA	NA	NA	NA	NA
Beneficiaries											
Total	22.4	21.6	21.8	25.3	36.3	42.9	44.5	48.4	51.4	53.3	54.6
Aged	3.7	3.4	3.1	3.2	4.2	4.5	4.6	4.8	4.9	5.0	5.1
Blind/Disabled	2.4	2.8	3.0	3.7	6.0	7.3	7.5	8.0	8.3	8.6	8.8
Children	9.8	9.3	9.8	11.2	17.6	21.3	22.0	23.7	25.0	25.9	26.6
Adults	4.7	4.8	5.5	6.0	7.8	9.7	10.4	12.0	13.2	13.8	14.2
Other Title XIX	1.9	1.5	1.2	1.1	0.6	NA	NA	NA	NA	NA	NA

NOTES: Beneficiaries are enrollees on behalf of whom at least one payment is made during the fiscal year. Prior to 1991, beneficiary categories do not add to total because beneficiaries could be reported in more than one category. Totals after 1990 may not add due to rounding. Aged and Blind/Disabled eligibility groups include Qualified Medicare Beneficiaries (QMB) and Specified Low-Income Medicare Beneficiaries (SLMB). Children and Adult groups include both AFDC/TANF and poverty level recipients who are not disabled. Beneficiary data for fiscal years 1975-1995 are historical data from OIS as reported by states. Enrollment and beneficiary projections for fiscal years 1999-2004 were prepared by the Office of the Actuary for the President's FY 2004 budget. FY 1998-2004 do not include the State Children's Health Insurance Program (CHIP).

In 1997, the Other Title XIX category was dropped and the enrollees therein were subsumed in the remaining categories. In 1998, Medicaid beneficiaries were redefined to include enrollees on behalf of whom a capitation payment is paid. The large increase between 1995 and 1999 is primarily the result of this change of definition.

SOURCES: CMS/CMSO/OIS/OACT

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**Life Expectancy at Birth and at Age 65 by Race and Sex: United States
Selected Calendar Years**

Calendar Year	All Races			White			Black		
	Both Sexes	Male	Female	Both Sexes	Male	Female	Both Sexes	Male	Female
At Birth									
1950	68.2	65.6	71.1	69.1	66.5	72.2	60.7	58.9	62.7
1980	73.7	70.0	77.4	74.4	70.7	78.1	68.1	63.8	72.5
1985	74.7	71.1	78.2	75.3	71.8	78.7	69.3	65.0	73.4
1990	75.4	71.8	78.8	76.1	72.7	79.4	69.1	64.5	73.6
1995	75.8	72.5	78.9	76.5	73.4	79.6	69.6	65.2	73.9
1996	76.1	73.1	79.1	76.8	73.9	79.7	70.2	66.1	74.2
1997	76.5	73.6	79.4	77.1	74.3	79.9	71.1	67.2	74.7
1998	76.7	73.8	79.5	77.3	74.5	80.0	71.3	67.6	74.8
1999	76.7	73.9	79.4	77.3	74.6	79.9	71.4	67.8	74.7
2000	77.0	74.3	79.7	77.6	74.9	80.1	71.9	68.3	75.2
2001 ¹	77.2	74.4	79.8	77.7	75.0	80.2	72.2	68.6	75.5
At Age 65									
1950	13.9	12.8	15.0	NA	12.8	15.1	13.9	12.9	14.9
1980	16.4	14.1	18.3	16.5	14.2	18.4	15.1	13.0	16.8
1985	16.7	14.5	18.5	16.8	14.5	18.7	15.2	13.0	16.9
1990	17.2	15.1	18.9	17.3	15.2	19.1	15.4	13.2	17.2
1995	17.4	15.6	18.9	17.6	15.7	19.1	15.6	13.6	17.1
1996	17.5	15.7	19.0	17.6	15.8	19.1	15.8	13.9	17.2
1997	17.7	15.9	19.2	17.8	16.0	19.3	16.1	14.2	17.6
1998	17.8	16.0	19.2	17.8	16.1	19.3	16.1	14.3	17.4
1999	17.7	16.1	19.1	17.8	16.1	19.2	16.0	14.3	17.3
2000	18.0	16.2	19.3	18.0	16.3	19.4	16.2	14.2	17.7
2001 ¹	18.1	16.4	19.4	18.2	16.5	19.5	16.4	14.4	17.9

¹ Preliminary data for 2001.

SOURCE: Public Health Service, Health United States, 2003

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**Medicaid Beneficiary Demographics
Selected Fiscal Years**

	1997	1998	1999	2000
All Beneficiaries in thousands	33,579	40,096	40,264	44,638
Percent Distribution				
Age	100.0	100.0	100.0	100.0
Under 21	51.8	51.9	51.0	55.0
21 - 64	31.5	30.3	28.9	33.6
65 and over	13.6	11.6	10.7	11.1
Unknown	3.0	6.2	9.5	0.2
Sex	100.0	100.0	100.0	100.0
Male	37.5	36.7	36.4	39.7
Female	59.4	55.8	54.1	60.1
Unknown	3.1	7.5	9.5	0.2
Race	100.0	100.0	100.0	100.0
White	46.1	41.8	41.1	43.9
Black	24.4	24.6	24.2	25.3
American Indian/Alaskan Native	1.0	0.8	1.2	1.4
Asian/Pacific Islander	2.0	2.5	2.0	2.2
Hispanic	14.8	15.8	15.7	19.8
Native Hawaiian or Other Pacific Islander	NA	NA	0.3	0.4
Unknown	11.6	14.4	15.5	6.9

NOTES: The percent distribution is based on rounded numbers. Totals do not necessarily equal the sum of rounded components. These estimates may differ from those based on Medicaid person-years of enrollment. Beginning in FY 1998, Medicaid recipients were renamed beneficiaries and were redefined to include those eligibles for whom a capitated payment was made.

SOURCES: CMS/CMSO/OIS

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Table with 4 columns and 4 rows of data.

1	2	3	4
1	2	3	4
1	2	3	4
1	2	3	4

Life Expectancy at Age 65
Based on U.S. Life Table Functions

Calendar Year	Male	Female
Number in years		
1965	12.9	16.3
1970	13.1	17.1
1975	13.7	18.0
1980	14.0	18.4
1985	14.4	18.6
1990	15.0	19.0
1991	15.1	19.1
1992	15.2	19.2
1993	15.1	19.0
1994	15.3	19.0
1995	15.3	19.0
1996	15.4	19.0
1997	15.5	19.1
1998	15.6	19.0
1999	15.7	18.9
2000 ¹	15.8	18.9
2005 ²	16.1	19.0
2010 ²	16.4	19.3
2015 ²	16.7	19.6
2020 ²	17.0	19.9
2025 ²	17.3	20.2
2030 ²	17.7	20.5
2035 ²	18.0	20.8
2040 ²	18.3	21.1
2045 ²	18.5	21.4
2050 ²	18.8	21.7
2055 ²	19.1	21.9
2060 ²	19.4	22.2
2065 ²	19.6	22.5
2070 ²	19.9	22.7
2075 ²	20.2	23.0

¹ Preliminary or estimated.

² Projected.

NOTE: The life expectancy is the average number of years of life remaining to a person if he were to experience the age-specific mortality rates for the tabulated year throughout the remainder of his life.

SOURCE: SSA/OACT

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V. UTILIZATION

Information about the use of health care services.

Current and trend data measuring health care use including: (1) persons served; (2) units of service, e.g., discharges, days of care; and (3) dimension of the services rendered, e.g. length of stay, charges per day. Utilization data are distributed for program coverage categories and type of service.

HIGHLIGHTS

- o The number of aged Medicare enrollees who received a covered service increased from 528 per 1,000 in 1975 to 918 per 1,000 enrollees in 2001.*
- o The number of disabled Medicare enrollees receiving services per 1,000 enrollees increased from 450 to 843 during the same period.*
- o The total number of all outpatient visits in the United States and the adjusted expense per patient day has increased steadily since 1983.*
- o The Medicare average length of stay for all short-stay and excluded units has been dropping for the past several years.*
- o The Medicare persons served rate per 1,000 enrollees for skilled nursing facilities has grown five-fold from 1982 to 2001. The rate of persons served by home health agencies grew dramatically (over 2 1/2 times) from 1982 through 1997 and has since declined.*

Medicare Short-Stay Hospital Utilization Selected Fiscal Years

	1990	1998	1999	2000	2001	2002
Discharges						
Total in millions	10.5	11.9	11.7	11.8	12.2	12.5
Rate per 1,000 Enrollees ¹	313	319	310	303	310	314
Days of Care						
Total in millions	94	74	71	71	73	74
Rate per 1,000 Enrollees ¹	2,805	1,972	1,897	1,825	1,846	1,860
Average Length of Stay						
All short-stay	9.0	6.2	6.1	6.0	6.0	5.9
Excluded Units ²	19.5	12.9	12.6	12.3	12.0	11.7
Total Charges per Day	\$1,060	\$2,332	\$2,496	\$2,720	\$3,027	\$3,506

¹ The population base is HI enrollment excluding HI enrollees residing in foreign countries and should be treated as preliminary.

² Includes alcohol/drug, psychiatric, and rehabilitation units through 1990, and psychiatric and rehabilitation units from 1997 through 2002.

NOTES: Data may reflect under reporting due to a variety of reasons including: operational difficulties experienced by intermediaries; no-pay, at-risk managed care utilization; and no-pay Medicare secondary payer bills. Average length of stay is shown in days. The data for 1990 through 2002 are based on 100 percent MEDPAR. Data may differ from other sources or from the same source with different update cycle.

SOURCE: CMS/OIS

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**Medicare Short-Stay Hospital Days per Person by Days of Care
Calendar Year 2001**

Total Days of Care	Persons Using Number of Days	Percent Distribution	Cumulative Percent Distribution	Total Days Used	Percent Distribution	Days Per Person
TOTAL	7,193,920	100.0	—	72,606,870	100.0	10.1
1 day	733,855	10.2	10.2	733,855	1.0	1.0
2 days	766,990	10.7	20.9	1,533,980	2.1	2.0
3 days	789,390	11.0	31.8	2,368,170	3.3	3.0
4 days	679,080	9.4	41.3	2,716,320	3.7	4.0
5 days	536,225	7.5	48.7	2,681,125	3.7	5.0
6 days	439,710	6.1	54.8	2,638,260	3.6	6.0
7 days	375,940	5.2	60.1	2,631,580	3.6	7.0
8 days	308,340	4.3	64.4	2,466,720	3.4	8.0
9 days	255,680	3.6	67.9	2,301,120	3.2	9.0
10 days	220,010	3.1	71.0	2,200,100	3.0	10.0
11 days	191,950	2.7	73.6	2,111,450	2.9	11.0
12 days	166,960	2.3	76.0	2,003,520	2.8	12.0
13 days	148,770	2.1	78.0	1,934,010	2.7	13.0
14 days	138,165	1.9	79.9	1,934,310	2.7	14.0
15 days	121,235	1.7	81.6	1,818,525	2.5	15.0
16 days	105,940	1.5	83.1	1,695,040	2.3	16.0
17 days	95,445	1.3	84.4	1,622,565	2.2	17.0
18 days	85,500	1.2	85.6	1,539,000	2.1	18.0
19 days	76,185	1.1	86.7	1,447,515	2.0	19.0
20 days	70,240	1.0	87.7	1,404,800	1.9	20.0
21-30 days	446,470	6.2	93.9	11,070,390	15.2	24.8
31-40 days	200,470	2.8	96.6	6,997,655	9.6	34.9
41-50 days	101,800	1.4	98.1	4,578,630	6.3	45.0
51-60 days	55,035	0.8	98.8	3,029,910	4.2	55.1
61-90 days	61,950	0.9	99.7	4,457,240	6.1	71.9
91 days or more	22,585	0.3	100.0	2,691,080	3.7	119.2

NOTES: These data reflect total individual hospital days during the calendar year. A beneficiary may have multiple hospital stays. Days from all stays are combined. Calendar year data are derived from 2001 MEDPAR stay file. This file includes stays recorded in CMS central office through June 2002. Totals do not necessarily equal the sum of rounded components. Data may differ from other sources or from the same source with different update cycle.

SOURCE: CMS/ORDI

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**Medicare Short-Stay Hospital Discharges by Length of Stay
Calendar Year 2001**

Total Length of Stay	Discharges (aged and disabled)			Total Days of Care		
	Number	Percent Distribution	Cumulative Percent Distribution	Number	Percent Distribution	Cumulative Percent Distribution
TOTAL	12,230,660	100.0	—	72,606,870	100.0	—
1 day	1,653,965	13.5	13.5	1,653,965	2.3	2.3
2 days	1,707,475	14.0	27.5	3,414,950	4.7	7.0
3 days	1,781,920	14.6	42.1	5,345,760	7.4	14.3
4 days	1,510,440	12.3	54.4	6,041,760	8.3	22.7
5 days	1,143,920	9.4	63.8	5,719,600	7.9	30.5
6 days	888,180	7.3	71.0	5,329,080	7.3	37.9
7 days	720,865	5.9	76.9	5,046,055	6.9	44.8
8 days	532,400	4.4	81.3	4,259,200	5.9	50.7
9 days	388,910	3.2	84.4	3,500,190	4.8	55.5
10 days	308,895	2.5	87.0	3,088,950	4.3	59.8
11 days	245,495	2.0	89.0	2,700,445	3.7	63.5
12 days	194,620	1.6	90.6	2,335,440	3.2	66.7
13 days	166,420	1.4	91.9	2,163,460	3.0	69.7
14 days	152,815	1.2	93.2	2,139,410	2.9	72.6
15 days	120,215	1.0	94.2	1,803,225	2.5	75.1
16 days	91,430	0.7	94.9	1,462,880	2.0	77.1
17 days	75,950	0.6	95.5	1,291,150	1.8	78.9
18 days	63,840	0.5	96.1	1,149,120	1.6	80.5
19 days	54,120	0.4	96.5	1,028,280	1.4	81.9
20 days	48,790	0.4	96.9	975,800	1.3	83.3
21-30 days	246,975	2.0	98.9	6,022,800	8.3	91.5
31-40 days	71,625	0.6	99.5	2,479,715	3.4	95.0
41-50 days	29,690	0.2	99.7	1,329,135	1.8	96.8
51-60 days	13,365	0.1	99.9	734,050	1.0	97.8
61-90 days	13,400	0.1	100.0	962,690	1.3	99.1
91 days or more	4,940	0.0	100.0	629,760	0.9	100.0

NOTES: These data reflect individual stays. A beneficiary may use more than one stay and each is counted separately. Calendar year data are derived from the 2001 MEDPAR stay file. This file includes stays recorded in CMS central office through June 2002. Totals do not necessarily equal the sum of rounded components. Data may differ from other sources or from the same source with different update cycle.

SOURCE: CMS/ORDI

November 2003

Medicare Short-Stay Hospital DRGs Ranked by Discharges
Fiscal Year 2001

Rank	DRG No.	DRG Relative Weight	Discharges ¹ Number	Percent	Average Length of Stay	Average Charge Per Discharge	Total Payments ² (in thousands)	Total Medicare Payments (in thousands)	Beneficiary Payments ³ (in thousands)	Average Payments ⁴ Total Medicare Beneficiary
			12,192,174	100.0	6.0	18,019	\$94,012,882	\$86,949,363	\$7,063,519	\$7,221 \$6,667 \$554
1	127	1.0135	886,830	5.6	5.3	12,467	3,603,784	3,258,989	344,795	5,045 4,546 499
2	089	1.0638	506,410	4.2	5.9	12,745	2,698,699	2,403,574	295,126	5,494 4,883 612
3	088	0.9314	399,849	3.3	5.1	10,934	1,829,334	1,604,216	225,118	4,431 3,873 558
4	209	2.0902	373,905	3.1	5.0	24,864	3,797,007	3,538,489	258,518	8,572 9,204 632
5	116	2.4225	368,837	3.0	3.6	28,851	4,534,866	4,317,271	217,695	10,964 10,440 524
6	014	1.2205	324,461	2.7	5.9	14,821	1,988,095	1,786,815	201,279	5,832 5,219 612
7	430	0.7659	323,840	2.7	11.0	13,651	2,063,591	1,863,347	200,245	6,124 5,530 585
8	462	1.2426	280,502	2.3	12.5	19,313	2,670,174	2,611,264	58,909	9,216 9,009 206
9	182	0.7922	263,115	2.2	4.4	9,748	1,052,786	908,098	144,688	3,568 3,060 508
10	296	0.8594	253,599	2.1	5.1	10,642	1,144,615	1,017,637	126,978	4,733 4,202 530
11	143	0.5403	252,329	2.1	2.1	6,676	690,693	532,888	157,805	4,152 3,677 475
12	174	0.9881	248,967	2.0	4.8	12,316	1,277,125	1,137,843	139,282	2,176 1,666 510
13	138	0.8288	204,852	1.7	4.0	10,168	867,051	752,577	114,474	3,868 3,340 528
14	320	0.8625	195,006	1.6	5.3	10,750	875,789	766,417	109,382	4,189 3,658 541
15	416	1.5287	182,551	1.5	7.5	20,098	1,521,465	1,419,259	102,205	7,954 7,392 562
16	121	1.6191	168,331	1.4	6.3	18,952	1,328,266	1,238,997	89,269	8,394 7,861 533
17	079	1.6471	167,416	1.4	8.5	20,179	1,437,822	1,349,403	88,419	7,010 6,917 519
18	132	0.6703	153,664	1.3	3.0	7,891	504,555	424,515	80,040	3,109 2,608 501
19	015	0.7486	153,329	1.3	3.5	9,185	573,649	475,595	98,054	3,420 2,817 603
20	124	1.4152	138,328	1.1	4.4	17,799	995,290	917,917	77,373	6,692 6,161 532
21	148	3.4317	130,662	1.1	12.3	42,826	2,511,942	2,426,954	84,988	18,537 17,853 644
22	210	1.8074	122,481	1.0	6.9	22,295	1,110,702	1,032,861	77,841	8,682 8,052 630
23	316	1.3444	117,726	1.0	6.6	17,097	875,244	817,671	57,573	11,806 11,308 497
24	478	2.3372	110,211	0.9	7.4	30,731	1,448,624	1,367,693	60,931	19,858 19,239 619
25	475	3.6949	104,740	0.9	11.2	46,665	2,188,472	2,121,352	67,120	6,882 6,705 177

¹ Based on the stay records for 100% of Medicare aged and disabled beneficiaries as recorded in the MEDPAR file.

² Total payments represent total hospital revenue for Medicare enrollee utilization, including Medicare payments and beneficiary obligations.

³ Excluded bills for no-pay, at-risk managed care utilization and no-pay Medicare secondary payer bills.

⁴ Beneficiary payments are the responsibility of the beneficiary or other third party payer.

⁵ Average payments are calculated using actual dollar amount, not rounded data as shown.

SOURCE: CMS/OIS

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**Medicare Ranking for all Short-Stay Hospital
Fiscal Year 2001 versus 2000**

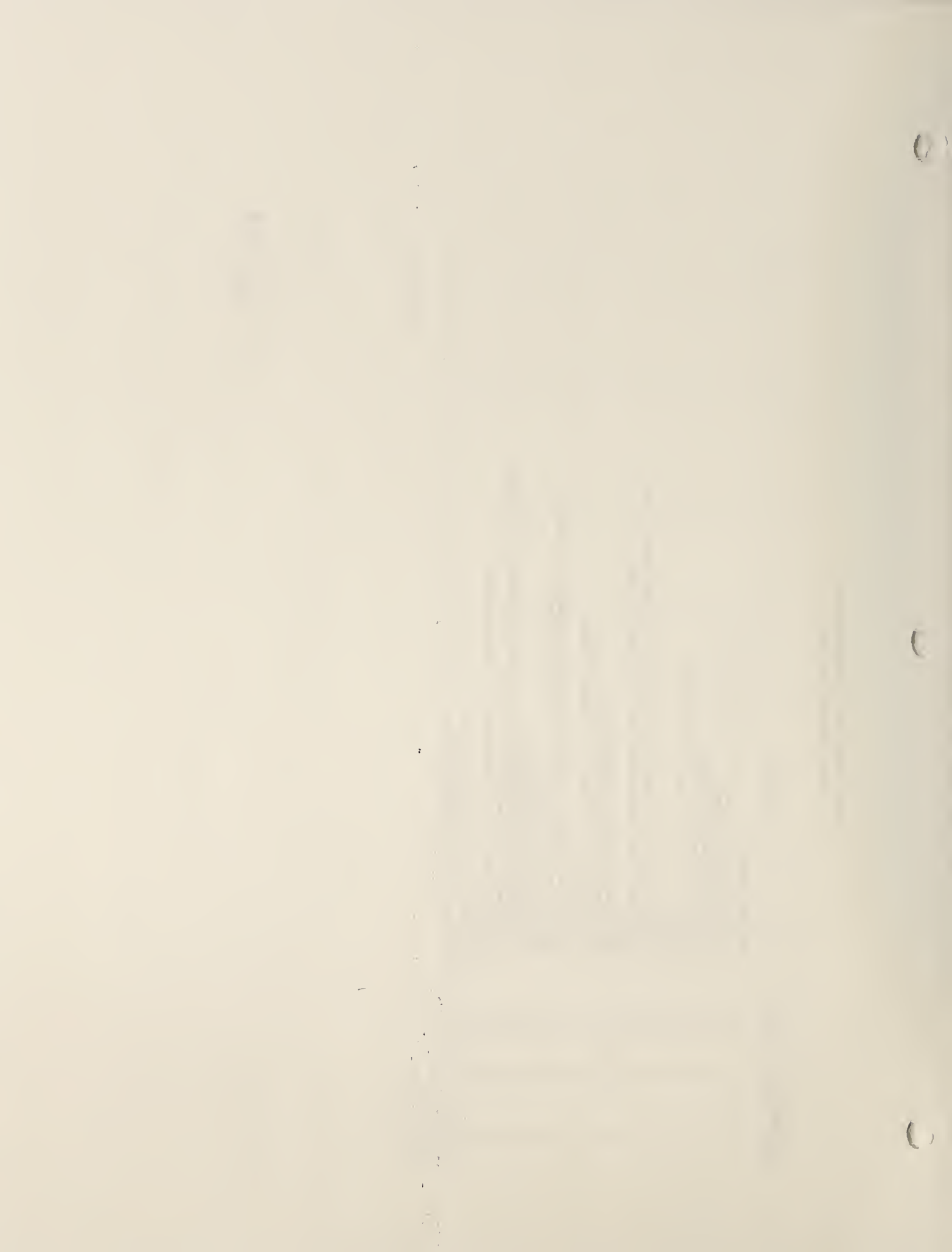
FY Rank ¹ 2001	2000	DRG Number	Descriptions
1	1	127	Heart Failure and Shock
2	2	089	Simple Pneumonia and Pleurisy, Age over 17 with Complicating Conditions
3	3	088	Chronic Obstructive Pulmonary Disease
4	4	209	Major Joint and Limb Reattachment Procedures
5	5	116	OTH perm cardiac pacemaker implant or ailed lead or generator proc
6	6	014	Specific Cerebrovascular Disorders Except Transient Ischemic Attack
7	7	430	Psychoses
8	8	462	Rehabilitation
9	9	182	Esophagitis, Gastroenteritis and Miscellaneous Digestive Disorders, Age over 17 with Complicating Conditions
10	11	296	Nutritional and Miscellaneous Metabolic Disorders, Age over 17 with Complicating Conditions
11	12	143	Chest Pain
12	10	174	Gastrointestinal Hemorrhage with Complicating Conditions
13	13	138	Cardiac Arrhythmia and Conduction Disorders, with Complicating Conditions
14	14	320	Kidney and Urinary Tract Infections, Age over 17 with Complicating Conditions
15	15	416	Sepsicemia, Age over 17
16	17	121	Circulatory Disorders with Acute Myocardial Infarction, with Cardiovascular Complications, Discharged Alive
17	16	079	Respiratory Infections and Inflammations, Age over 17 with Complicating Conditions
18	18	132	Atherosclerosis with Complicating Conditions
19	19	015	Transient Ischemic Attack and Precerebral Occlusions
20	20	124	Circulatory Disorders excluding Acute Myocardial Infarction, with Cardiovascular Catheter with Complex Diagnosis
21	21	148	Major small and large bowel procedures with cc
22	22	210	Hip and Femur Procedures except Major Joint, Age over 17 with Complicating Conditions
23	25	316	Renal Failure
24	23	478	Other Vascular Procedures with Complicating Conditions
25	24	475	Respiratory system diagnosis with ventilator support

¹Ranked by Discharges

SOURCE: CMS/OIS

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**Medicare Leading Part B Procedure Codes Based on Allowed Charges
Calendar Year 2002**

Procedure Code	Allowed Charges	Percent of Allowed Charges ¹
All Procedure Codes ² (Levels I, II, and III)	\$83,399,058,271	100.0
Leading Procedure Codes ³ (Level I only)	38,508,412,766	46.2
99213 Office/outpatient visit, est	5,135,909,899	6.2
99214 Office/outpatient visit, est	3,374,687,464	4.0
99232 Subsequent hospital care	2,439,627,530	2.9
66984 Cataract surg w/iol, 1 stage	2,020,055,245	2.4
99233 Subsequent hospital care	1,103,828,725	1.3
99212 Office/outpatient visit, est	992,799,175	1.2
88305 Tissue exam by pathologist	823,574,116	1.0
99223 Initial hospital care	773,825,023	0.9
99231 Subsequent hospital care	754,566,852	0.9
92014 Eye exam & treatment	740,852,726	0.9
99285 Emergency dept visit	740,027,676	0.9
99244 Office consultation	732,774,369	0.9
78465 Heart image (3d), multiple	708,643,047	0.8
99215 Office/outpatient visit, est	684,729,538	0.8
99254 Initial inpatient consult	673,635,373	0.8
93307 Echo exam of heart	603,149,408	0.7
90921 ESRD related services, month	540,802,671	0.6
99284 Emergency dept visit	492,134,457	0.6
97110 Therapeutic exercises	486,199,885	0.6
99243 Office consultation	473,541,460	0.6
99255 Initial inpatient consult	471,032,245	0.6
99312 Nursing fac care, subseq	463,148,503	0.6
99291 Critical care, first hour	448,933,130	0.5
99238 Hospital discharge day	417,207,776	0.5
99203 Office/outpatient visit, new	415,505,718	0.5

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1. The first part of the paper is devoted to a general discussion of the problem.

2. In the second part, we consider the case of a single particle.

3. The third part is devoted to the case of a system of particles.

4. In the fourth part, we consider the case of a continuous medium.

5. The fifth part is devoted to the case of a system of continuous media.

6. In the sixth part, we consider the case of a single continuous medium.

7. The seventh part is devoted to the case of a system of continuous media.

Medicare Leading Part B Procedure Codes Based on Allowed Charges (continued)
Calendar Year 2002

Procedure Code	Description	Allowed Charges	Percent of Allowed Charges ¹
92012	Eye exam established pat	390,720,583	0.5
99222	Initial hospital care	378,406,679	0.5
99245	Office consultation	373,237,844	0.4
99204	Office/outpatient visit, new	371,364,372	0.4
90806	Psytx, off, 45-50 min	368,294,082	0.4
45378	Diagnostic colonoscopy	347,733,934	0.4
70553	Mri brain w/o&w dye	333,649,737	0.4
27447	Total knee arthroplasty	300,343,123	0.4
99253	Initial inpatient consult	297,960,606	0.4
98941	Chiropractic manipulation	297,305,864	0.4
99283	Emergency dept visit	295,402,782	0.4
93325	Doppler color flow add-on	276,148,257	0.3
76092	Mammogram, screening	274,257,424	0.3
71020	Chest x-ray	272,646,517	0.3
93000	Electrocardiogram, complete	271,240,550	0.3
45385	Lesion removal colonoscopy	270,247,820	0.3
93320	Doppler echo exam, heart	265,674,391	0.3
66821	After cataract laser surgery	255,897,932	0.3
17000	Destroy benign/premalignant lesion	253,307,625	0.3
43239	Upper GI endoscopy, biopsy	250,263,546	0.3
92980	Insert intracoronary stent	240,294,372	0.3
77427	Radiation tx management, x5	236,172,618	0.3
93510	Left heart catheterization	229,401,226	0.3
80061	Lipid panel	228,619,508	0.3
90862	Medication management	228,461,192	0.3
33533	CABG, arterial, single	228,402,806	0.3
72148	Mri lumbar spine w/o dye	227,710,995	0.3
93880	Extracranial study	226,477,543	0.3
84443	Assay thyroid stim hormone	223,164,591	0.3
99211	Office/outpatient visit, est	221,179,928	0.3
92004	Eye exam, new patient	220,169,479	0.3
11721	Debride nail, 6 or more	218,294,303	0.3
20610	Drain/inject, joint/bursa	213,397,608	0.3

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Medicare Leading Part B Procedure Codes Based on Allowed Charges (continued)
Calendar Year 2002

Procedure Code	Description	Allowed Charges	Percent of Allowed Charges ¹
99311	Nursing fac care, subseq	211,057,433	0.3
17003	Destroy lesions, 2-14	197,261,378	0.2
80053	Comprehen metabolic panel	194,865,256	0.2
76075	Dexa, axial skeleton study	193,387,505	0.2
99313	Nursing fac care, subseq	189,528,593	0.2
98940	Chiropractic manipulation	187,905,863	0.2
93015	Cardiovascular stress test	179,759,402	0.2
74160	Ct abdomen w/dye	177,912,842	0.2
72193	Ct pelvis w/dye	177,079,140	0.2
99205	Office/outpatient visit, new	175,952,987	0.2
99202	Office/outpatient visit, new	174,058,439	0.2
14200	Anesth, lens surgery	172,518,064	0.2
71010	Chest x-ray	172,391,616	0.2
70450	Ct head/brain w/o dye	172,049,065	0.2
52000	Cystoscopy	168,374,042	0.2
45380	Colonoscopy and biopsy	167,269,293	0.2

¹ Allowed charges for leading Level I procedure codes are shown as a percent of all physician and supplier allowed charges (Levels I, II, and III) submitted to Part B carriers.

² The total number of procedure codes (Levels I, II and III) is 11,261.

³ Allowed charges were aggregated by procedure code and include both the physician and ASC allowed charges. The above listed 74 procedure codes (out of a total of 8,031 Level I codes) account for approximately 46% of all allowed charges.

NOTES: The Current Procedural Terminology (CPT) codes, descriptions and other data only are Copyright 2001 American Medical Association All Rights Reserved (or such other date of publication of CPT). CPT is a trademark of the American Medical Association (AMA). For fuller description of each procedure, see the above publication.

SOURCE: CMS/OIS

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PA

**Leading Medicare Physician and Supplier BETOS
Procedures Based on Allowed Charges
Calendar Years 2000 and 2001**

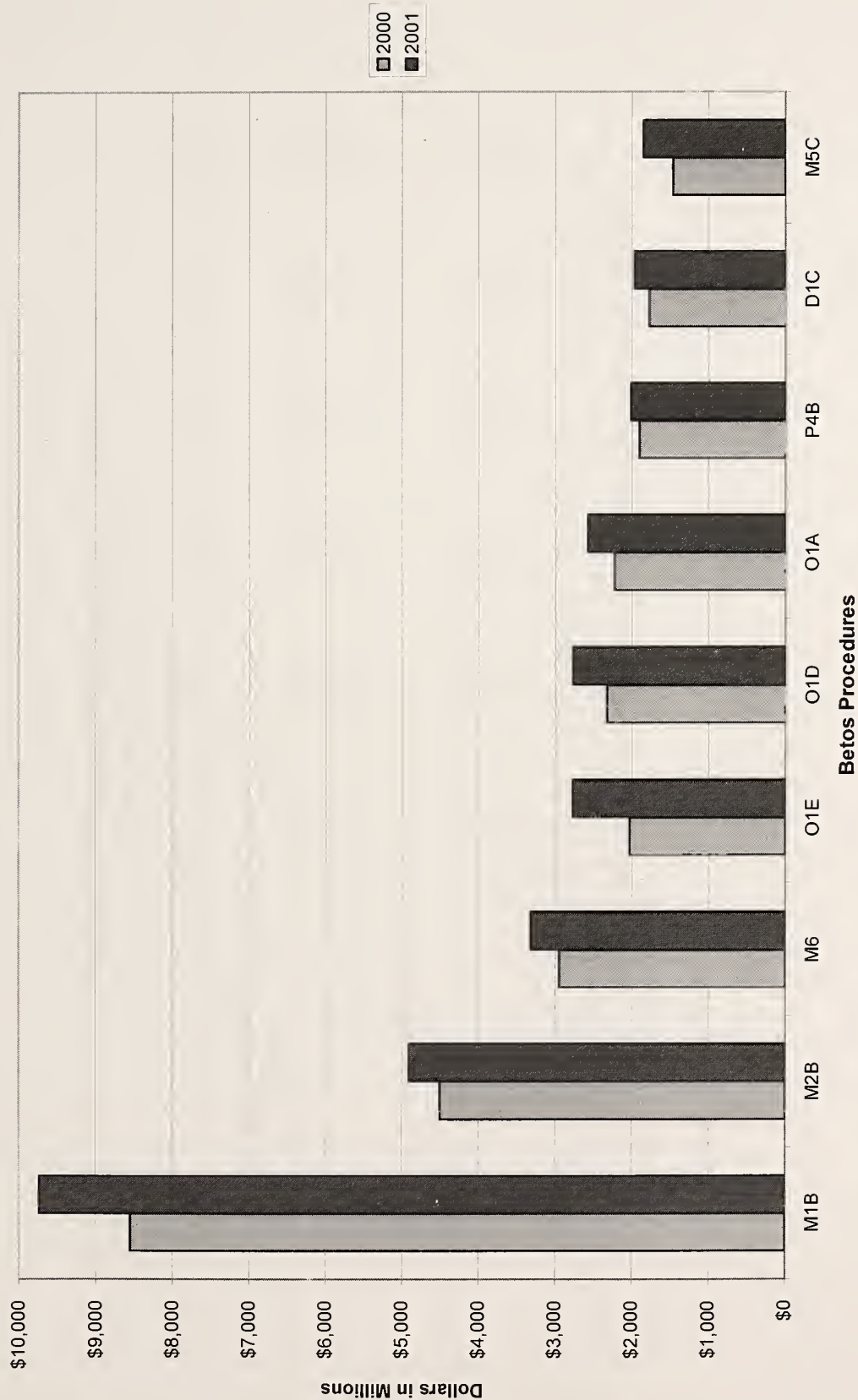
Betos Code	Description	Medicare Allowed Charges	
		2000	2001
M1B	Office Visits - Established	\$8,548,562,453	\$9,736,079,591
M2B	Hospital Visit - Subsequent	4,502,138,903	4,902,921,054
M6	Consultations	2,944,063,178	3,314,346,197
O1E	Other Drugs	2,026,307,436	2,765,739,546
O1D	Chemotherapy	2,322,767,817	2,763,102,313
O1A	Ambulance	2,221,895,701	2,567,573,485
P4B	Eye Procedure - Cataract/Removal Lens Insertion	1,901,684,180	2,009,967,157
D1C	Oxygen and Supplies	1,773,277,946	1,964,082,934
M5C	Specialist - Ophthalmology	1,462,799,020	1,847,504,784

NOTE: BETOS is the Berenson/Eggers Type of Service classification system, a joint Urban Institute/Centers for Medicare & Medicaid Services effort.

SOURCE: CMS/OIS

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Betos Allowed Charges



part

Medicare Persons Served by Type of Coverage Selected Calendar Years

	1975	1980	1985	1995	2000	2001
Aged Persons Served per 1,000 Enrollees						
HI and/or SMI	528	638	722	826	916	918
HI	221	240	219	218	232	233
SMI	536	652	739	858	965	968
Disabled Persons Served per 1,000 Enrollees						
HI and/or SMI	450	594	669	759	835	843
HI	219	246	228	212	196	199
SMI	471	634	715	837	943	952

NOTES: Prior to 1998, utilization rates per 1,000 enrollees came from the Annual Person Summary and were not yet modified to exclude persons enrolled in managed care. Beginning in 1998, utilization counts are based on a five-percent sample of fee-for-service beneficiaries and the rates are adjusted to exclude managed care enrollees.

SOURCES: CMS/OIS/ORDI

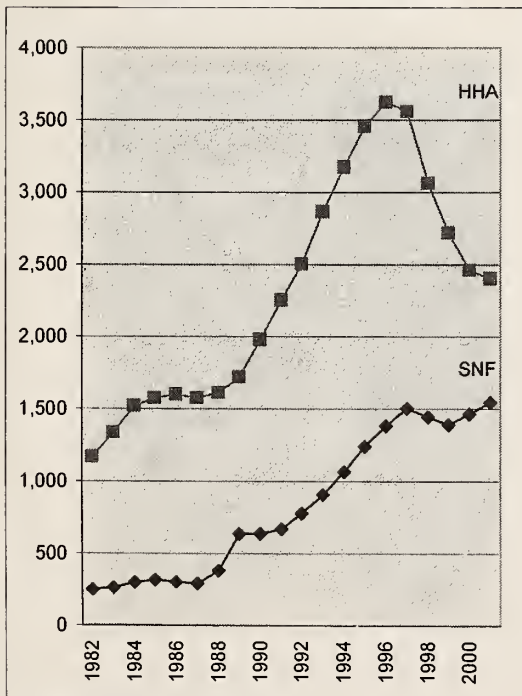
Note: Medicare Persons Served by Type of Service CY 2001 not included in data on page 242

Medicare Use of Selected Types of Long-Term Care Calendar Years 1982 - 2001

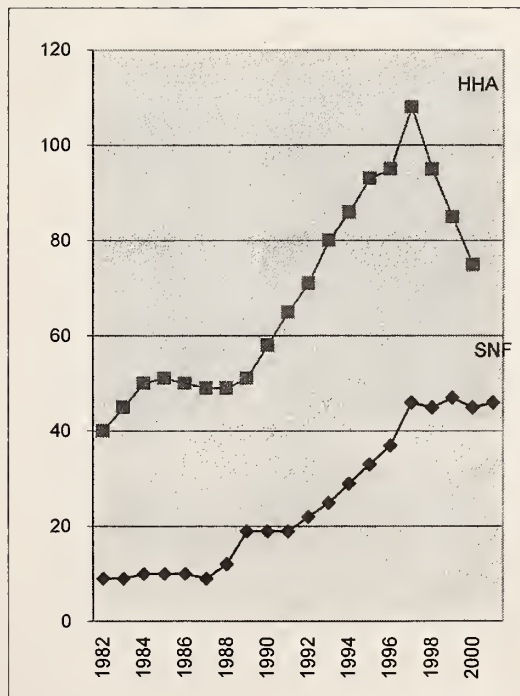
Calendar Year	Skilled Nursing Facilities		Home Health Agencies	
	Persons Served in thousands	Rate Per 1,000 Enrollees	Persons Served in thousands	Rate Per 1,000 Enrollees
1982	252	9	1,172	40
1983	264	9	1,338	45
1984	299	10	1,522	50
1985	315	10	1,576	51
1986	304	10	1,601	50
1987	293	9	1,575	49
1988	384	12	1,613	49
1989	636	19	1,721	51
1990	638	19	1,978	58
1991	670	19	2,255	65
1992	779	22	2,504	71
1993	908	25	2,867	80
1994	1,068	29	3,176	86
1995	1,240	33	3,457	93
1996	1,384	37	3,627	95
1997	1,503	46 ¹	3,558	108 ¹
1998	1,447	45 ¹	3,062	95 ¹
1999	1,390	47 ¹	2,720	85 ¹
2000	1,468	45 ¹	2,461	75 ¹
2001	1,545	46 ¹	2,403	71 ¹

¹ Excludes managed care enrollees in rate.

Persons Served in Thousands



Rates Per 1,000 Enrollees



SOURCES: CMS/ORDI

November 2003

**End Stage Renal Disease Care Provided by
Medicare Approved Facilities
Selected Calendar Years**

	1990	1998	1999	2000	2001
Dialysis Patients	129,800	245,710	259,493	273,333	285,982
Outpatient	107,160	216,310	231,032	245,207	258,195
Home	22,640	29,400	28,461	28,126	27,787
Dialysis Patient Eligibility Status					
Medicare	113,127	207,218	216,232	227,238	227,238
Medicare Application Pending	9,582	14,512	16,279	18,763	18,763
Non-Medicare	7,091	23,980	26,982	27,332	27,332
Transplant Patients	9,779	13,272	13,483	14,311	14,628
Transplant Patient Eligibility Status					
Medicare	8,340	10,241	9,900	10,260	10,669
Medicare Application Pending	633	1,105	1,183	1,540	1,777
Non-Medicare	806	1,918	2,395	2,500	2,162
Transplant Procedures	9,796	13,272	13,483	14,311	14,628
Living Related Donor	2,001	3,453	3,583	4,052	4,236
Living Unrelated Donor	90	1,067	1,061	1,375	1,568
Cadaveric Donor	7,705	8,752	8,839	8,884	8,824
Medicare Approved ESRD Facilities	2,072	3,586	3,917	4,153	4,163
Dialysis (Hospital and Non-Hospital)	1,799	3,307	3,637	3,869	3,994
Transplant and Dialysis	169	148	145	146	135
Transplant Only	53	87	92	96	105
Inpatient Care Only	51	44	43	42	34
Average Dialysis Payment Rate	\$127	\$127	\$127	\$129	\$129
Hospital Based	129	129	129	131	131
Independents	125	125	125	127	127

SOURCES: CMS/OCSQ/CMM

November 2003

THEORY OF THE EARTH
AND ITS HISTORY

CHAPTER	PAGES	CONTENTS
I	1-10	Introduction
II	11-20	The Earth and its History
III	21-30	The Earth's Crust
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VII	61-70	The Earth's Hydrosphere
VIII	71-80	The Earth's Biosphere
IX	81-90	The Earth's Geosphere
X	91-100	The Earth's Cosmosphere

Home Health Agency - Medicare National Summary

Calendar Year	Total Patients	Total Reimbursement	Total Visits	Average Reimbursement Per Patient	Average Visits Per Patient
2000	2,479,629	\$7,352,198,941	90,729,921	\$2,965	37
2001	2,425,688	8,636,629,198	73,697,665	3,560	30
2002	2,550,343	9,640,624,039	78,102,658	3,780	31

NOTE: Data include Puerto Rico, Virgin Islands, and unknown.

Hospice - Medicare National State Summary

Calendar Year	Total Patients	Total Reimbursement	Total Covered Days	Average Reimbursement Per Patient	Average Days Per Patient
2000	534,261	\$2,926,546,746	25,814,389	\$5,478	48
2001	594,436	3,690,388,745	30,555,548	6,208	51
2002	661,462	4,540,386,929	37,333,045	6,864	56

NOTE: Data include Puerto Rico.

Skilled Nursing Facilities Non Swing Bed - Medicare National Summary

Calendar Year	Total Discharges	Total Reimbursement	Total Covered Days	Average Reimbursement Per Discharge	Average Days Per Discharge
2000	1,438,690	\$10,420,208,068	44,103,335	\$7,243	31
2001	1,520,272	12,691,872,771	47,775,760	8,348	31
2002	1,601,049	13,998,617,587	52,787,085	8,743	33

NOTES: Data include Puerto Rico, Virgin Islands, and unknown. Data does not include swing bed units.

Outpatient - Medicare National Summary

Calendar Year	Total Patients	Total Charges	Total Payments	Average Charge Per Patient	Average Payment Per Patient
2000	21,039,207	\$52,631,299,474	\$16,893,178,592	\$2,502	\$803
2001	22,153,102	75,153,892,284	20,232,524,712	3,392	913
2002	23,001,276	97,319,821,467	23,234,195,040	4,231	1,010

NOTE: Data include Puerto Rico, Virgin Islands, and unknown.

SOURCES: CMS/OIS/HCIS

November 2003

Medicaid Recipients by Type of Service
Fiscal Years 1998 - 2000

	1998	1999	2000
Total	40,096	39,962	42,763
Inpatient Services			
General Hospitals	4,270	4,492	4,933
Mental Hospitals	135	97	99
Nursing Facilities Services ¹	1,646	1,612	1,703
ICF Services			
Mentally Retarded	126	122	118
Physician Services	18,553	18,296	19,104
Dental Services	4,965	5,616	5,892
Other Practitioner Services	4,342	3,964	4,735
Outpatient Hospital Services	12,158	12,355	13,226
Clinic Services	5,281	6,719	7,667
Laboratory & Radiological	9,381	10,132	11,396
Home Health Services	1,225	811	995
Personal Care Support Services	3,108	4,071	4,549
Prescribed Drugs	19,338	19,819	20,517
Family Planning Services/Sterilization	1,963	133	137
Rural Health Clinics	NA	NA	NA
Early and Periodic Screening	6,175	NA	NA
Home & Community Based Waiver Services	467	NA	NA
Prepaid Health Care	19,670	20,510	21,261
PCCM Services	4,066	3,890	5,560
Other Care	6,975	8,489	9,037
Unknown	NA	136	176

¹ Nursing facilities services recipients include individuals other than the mentally retarded receiving "all other" intermediate care facility services.

SOURCES: CMS/CMSO/ORDI

November 2003



**National Community Hospital Utilization
1973 - 2001**

Year	Admissions in millions	Inpatient Days in millions	Average Stay in days	Outpatient Visits in millions	Adjusted Expenses per Inpatient Day
1973	31.7	248	7.8	173	\$102
1974	32.9	255	7.8	189	114
1975	33.4	258	7.7	191	134
1976	34.0	261	7.7	201	153
1977	34.3	261	7.6	199	174
1978	34.5	262	7.6	202	194
1979	35.1	265	7.6	199	217
1980	36.1	273	7.6	202	245
1981	36.4	278	7.6	203	284
1982	36.4	278	7.6	248	327
1983	36.2	273	7.6	210	369
1984	35.2	257	7.3	212	411
1985	33.4	237	7.1	219	460
1986	32.4	229	7.1	232	501
1987	31.6	227	7.2	246	539
1988	31.5	227	7.2	269	586
1989	31.1	225	7.2	286	637
1990	31.2	226	7.2	301	687
1991	31.1	223	7.2	322	752
1992	31.0	221	7.1	349	820
1993	30.7	216	7.0	367	881
1994	30.7	207	6.7	383	931
1995	30.9	200	6.5	414	968
1996	31.1	194	6.2	440	1,006
1997	31.6	193	6.1	450	1,033
1998	31.8	191	6.0	474	1,067
1999	32.4	192	5.9	495	1,103
2000	33.0	192	5.8	521	1,149
2001	33.8	194	5.7	538	1,217

SOURCE: American Hospital Association

November 2003



VI. PROVIDERS/SUPPLIERS

Information in this section concerns institutions, agencies or professionals who provide health care services and furnish health care equipment or supplies. Medicare and Medicaid providers are combined in this section since Medicare providers are deemed certified for the Medicaid program. Additional information on providers of services are contained in STATE DATA (Section VII).

HIGHLIGHTS

- o *From 1980 to the beginning of 2003, the number of inpatient hospital facilities decreased 11.1 percent from 6,777 to 6,024. Beds per 1,000 enrollees dropped from 46.7 in 1980 to 23.9 in 2003. During this same period, the number of psychiatric hospitals increased from 408 to 487, but their beds per 1,000 enrollees dropped from 5.3 to 1.5.*
- o *Skilled nursing facilities have nearly tripled from 5,052 in 1980 to 14,838 in 2003. Home health agencies have more than doubled from 2,924 in 1980 to 6,928 in 2003.*
- o *The number of ambulatory surgical centers increased tenfold from 336 in 1985 to 3,567 in 2003. During this same period the number of hospices increased from 164 to 2,323.*
- o *By January 2003, 176,947 facilities had registered under the Clinical Lab Improvement Act which became effective 10/1/92.*
- o *End-Stage Renal Disease facilities have quadrupled from 999 in 1980 to 4,309 in 2003.*
- o *The percent of Medicare assigned claims (51.9 percent in 1975) continues to increase, from 98.1 percent in 2001 to 98.3 percent in 2002.*
- o *As of January 2002, enrollment in the Medicare participating physician program was 89.3 percent. By January 2003, the enrollment was 91.5 percent.*
- o *As of March 1985, Medicare had 154 HMO/CMP plans with 1.1 million enrollees. By August 2003, there were 270 managed care plans with 5.3 million enrollees.*

Medicare Hospital Status June 2003

Total Hospitals	6,051
Hospitals under any Hospital Prospective Payment System (PPS) ¹	4,537
Short-Term Hospitals under Inpatient PPS (IPPS)	995
--Regional Referral Centers	195
--Sole Community Hospitals	512
--Sole Community/Regional Referral Center	85
--Medicare Dependent Hospitals	162
--Indian Health Service Hospitals	41
--Not Receiving Special Consideration	3,113
Long-Term Hospital under Long-Term Care Hospital PPS (LTCH PPS)	213
Rehabilitation Hospital under Inpatient Rehabilitation Facility PPS (IRF PPS)	216
Hospitals Currently Exempt or Not Yet Transitioned in to PPS (as of 6/30/03)	1,514
Psychiatric	480
Religious Non-Medical	15
Childrens	81
Long-Term Facility (not yet transitioned in to LTCH PPS)	86
Critical Access (formerly Short-Term)	788
Short-Term Hospitals in MD, VI, AS, GU, and NMI (Exempt from IPPS)	53
Cancer Hospitals (Short-Term Hospitals Exempt from !PPS)	11
Total Hospital Units (PPS and Non-PPS)	2,394
Psychiatric	1,410
Rehabilitation	984

¹ Total number of hospitals subject to PPS regardless of actual submitted inpatient hospital claims during the fiscal year.

NOTES: This table is designed to give a "snapshot" as of the end of June 2003 of hospitals participating in the program by the type of provider (short term, long term, rehab, etc.) and by their payment status (PPS, waived from PPS, not yet transitioned in to PPS, etc.). Status determined for hospitals listed as active and participating in Medicare on the June 2003 Provider of Service (POS) File. PPS and Special Consideration Status under PPS determined using provider lists from CMM and the Provider Specific File which may reflect cumulative history as opposed to current status. Numbers may differ from other reports and program memoranda.

SOURCES: CMS/CMM/CMSO/ORDI

November 2003

Other Medicare Providers and Suppliers
Selected Years

	1980	1985	1990	2002	2003
Skilled Nursing Facilities	5,052	6,451	8,937	14,755	14,838
Beds in thousands	436	NA	509	1,050	1,261
Home Health Agencies	2,924	5,679	5,730	6,813	6,928
Clinical Lab Improvement Act Facilities	NA	NA	NA	173,807	176,947
End Stage Renal Disease Facilities	999	1,393	1,937	4,113	4,309
Outpatient Physical Therapy	419	854	1,195	2,836	2,961
Portable X-Ray	216	308	443	644	641
Rural Health Clinics	391	428	551	3,283	3,306
Comprehensive Outpatient Rehabilitation Facilities	NA	72	186	524	587
Ambulatory Surgical Centers	NA	336	1,197	3,371	3,597
Hospices	NA	164	825	2,275	2,323

NOTES: Facility data for selected years 1980-1990 are as of July 1. Facility data for 2002 and 2003 are as of December 31, 2001 and December 31, 2002, respectively, and represent essentially those facilities eligible to participate the start of the calendar year. Facilities certified for Medicare are deemed to meet Medicaid standards.

SOURCES: CMS/ORDI/OIS

November 2003

Medicare Inpatient Hospitals **Selected Years**

	1980	1985	1990	2002	2003
Total Hospitals	6,777	6,707	6,520	6,002	6,024
Beds in thousands	1,150	1,144	1,105	969	958
Beds per 1,000 Enrollees ¹	46.7	42.5	37.0	24.5	23.9
Short-Stay	6,104	6,034	5,549	4,429	4,231
Beds in thousands	991	1,027	970	844	835
Beds per 1,000 Enrollees ¹	40.2	38.2	32.5	21.3	20.8
Psychiatric	408	474	674	494	487
Beds in thousands	131	95	99	67	61
Beds per 1,000 Enrollees ¹	5.3	3.5	3.3	1.7	1.5
Other Long-Stay	265	199	297	1,079	1,306
Beds in thousands	28	22	35	58	62
Beds per 1,000 Enrollees ¹	1.1	0.8	1.2	1.5	1.6

¹ Based on number of HI enrollees.

NOTES: Facility data for selected years 1980-1990 are as of July 1. Facility data for 2002 and 2003 are as of December 31, 2001 and December 31, 2002, respectively, and represent essentially those facilities eligible to participate the start of the calendar year. Facilities certified for Medicare are deemed to meet Medicaid standards.

SOURCES: CMS/ORDI/OIS

**Medicare PIP Facilities
Selected Years**

	1975	1980	1985	1990	1999	2000	2001	2002
Hospitals								
Number of PIP	1,524	2,276	3,242	1,352	915	869	754	687
Percent of Total Participating	22.5	33.6	48.3	20.6	15.3	14.4	12.5	11.4
Skilled Nursing Facilities								
Number of PIP	161	203	224	774	1,387	1,236	1,161	862
Percent of Total Participating	4.1	3.9	3.4	7.3	9.3	8.3	7.9	5.8
Home Health Agencies								
Number of PIP	86	481	931	1,211	1,122	1,038	42	40
Percent of Total Participating	3.8	16.0	16.0	21.0	14.3	14.4	0.1	0.1

NOTES: Data from 1985 to date are as of September; prior years are as of December. These are facilities receiving periodic interim payments (PIP) under Medicare. Effective for claims received on or after July 1, 1987, the Omnibus Budget Reconciliation Act of 1986 (P.L. 99-509) eliminates PIP for many PPS hospitals when the servicing intermediary meets specified processing time standards.

SOURCE: CMS/OFM

November 2003

Selected Medicare Facilities by Type of Control 2003

	Short Stay Hospitals	Skilled Nursing Facilities	Home Health Agencies
All Facilities	4,231	14,838	6,928
	Percent Distribution		
Voluntary	60.6	28.2	34.2
Proprietary	15.6	66.7	51.2
Government	23.8	5.1	14.6

NOTES: Data as of December 31, 2002. Facilities certified for Medicare are deemed to meet Medicaid standards. Percent distribution may not add to 100 percent due to rounding.

SOURCES: CMS/ORD/OIS

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**Medicare Assigned Claims
Selected Fiscal Years**

Fiscal Year	Net Assignment Rate ¹
1975	51.9
1980	51.4
1985	67.7
1990	80.9
1991	82.5
1992	85.4
1993	89.2
1994	92.1
1995	94.2
1996	95.6
1997	96.5
1998	97.2
1999	97.5
2000	97.8
2001	98.1
2002	98.3

¹ The net assignment rate is the percentage of assigned claims to total assigned/unassigned claims received. If a physician or supplier agrees to accept assignment, he or she agrees not to charge more than the Medicare approved fee for a particular service.

SOURCE: CMS/OFM

November 2003

Medicare Participating Physician Program

Participation Status	Number of Physicians ¹	Participation Status		
		January 2000	January 2001	January 2002
Participating	846,423	91.5%	89.3%	88.7%
Billing Medicare	925,508			88.3%

¹ Includes M.D.s, D.O.s, limited license practitioners, and non-physician practitioners.

NOTES: The participating physician program was originally enacted as a part of the 1984 Deficit Reduction Act (DEFRA). Congress provided additional incentives through the 1986 Omnibus Budget Reconciliation Act (OBRA). CMS wrote to physicians to explain the benefits of participation beginning January 1, 1989. Participation counts reflect physicians who are participating in at least one practice setting. For example, a physician who is participating in private practice but not in his group practice is counted as participating.

SOURCE: CMS/OFM

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Participation Rates as Percentage of Physicians, by Specialty Selected Periods

	Apr. 1990		Jan. 1995		Jan. 1998		Jan. 1999		Jan. 2000		Jan. 2001		Jan. 2002		Jan. 2003	
	Dec. 1990		Dec. 1995		Dec. 1998		Dec. 1999		Dec. 2000		Dec. 2001		Dec. 2002		Dec. 2003	
Percent of Physicians Participating																
Physicians (M.D.s and D.O.s):																
General practice	39.7		59.9		71.1		73.7		80.2		79.0		80.2		84.3	
General surgery	55.8		80.2		89.3		90.4		93.3		92.5		92.8		95.6	
Otolaryngology, rhinology	45.2		77.1		87.7		88.7		91.8		91.3		91.7		93.9	
Anesthesiology	30.8		73.9		85.9		88.9		93.7		92.3		92.3		95.5	
Cardiovascular disease	60.6		84.9		91.5		92.9		95.8		94.4		94.3		96.4	
Dermatology	53.4		79.3		87.2		88.0		90.8		90.1		90.1		92.4	
Family practice	47.2		74.5		85.9		86.9		90.8		90.3		90.8		93.2	
Internal medicine	48.8		73.8		84.8		86.8		90.7		88.7		88.8		92.2	
Neurology	53.1		78.9		87.1		88.4		92.1		89.9		89.1		93.3	
Obstetrics-gynecology	48.8		72.5		81.3		82.9		86.8		86.3		86.5		88.8	
Ophthalmology	55.6		81.2		89.8		90.9		93.3		92.8		93.3		95.1	
Orthopedic surgery	53.7		82.6		90.4		90.6		93.8		93.1		92.4		95.5	
Pathology	53.4		78.9		86.6		89.8		93.6		92.2		92.0		95.4	
Psychiatry	41.6		58.7		70.4		73.9		79.1		79.6		80.4		83.0	
Radiology	55.6		82.8		88.3		91.5		95.3		91.9		91.6		95.7	
Urology	49.6		83.0		90.6		91.5		94.6		93.8		93.6		96.0	
Nephrology	66.5		87.0		91.3		93.0		95.1		93.6		93.6		95.5	
Clinic or other group practice - not GPPP	68.7		79.4		90.1		89.2		91.6		92.7		93.5		93.4	
Limited license practitioners (LLP):																
Chiropractor	26.2		42.6		54.3		56.3		59.4		63.0		64.4		65.2	
Podiatry-surgical chiropody	54.0		79.2		87.9		88.4		90.7		91.6		92.1		92.3	
Optometrist	54.0		66.9		74.7		76.0		78.4		80.0		80.6		82.4	

NOTE: Effective with the October 1, 1985 election period, carriers were instructed to count individuals only once, even if practicing in multiple settings.

SOURCE: CMS/OFM

November 2003

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Medicare Benefit and Premium Summary
Medicare+Choice Coordinated Care Plans
Contract Year 2003

Specific Benefits	Percent of Plans Offering Benefits	
	In Standard Package	For an Additional Premium
Vision Exams	86.6	1.3
Hearing Exams	66.4	0.2
Prescription Drugs	67.3	3.1
Eyewear	60.1	4.5
Hearing Aids	35.6	0.9
Chiropractic	0.0	6.7
Podiatry	0.0	3.1
Preventive Dental	29.0	11.1
Comprehensive Dental	9.4	9.1
Point of Service	0.0	2.0
Inpatient Hospital greater than FFS Medicare	86.2	0.0
SNF greater than FFS Medicare	0.9	0.4
Worldwide Coverage (Emergency/Urgent Care)	83.1	0.0
Physical Exams	91.8	0.0
Health Education/Wellness	73.1	0.0
Median PCP Copayment (Physician Office Visit)		\$10.00
Median Generic Drug Copayment		\$10.00
Median Brand Name Drug Copayment		\$30.00

Premium ¹ Distribution (Percent of Packages)

<u>Range</u>	<u>Percent</u>
\$0.00	34.3
\$0.01 - \$20.00	2.2
\$20.01 - \$40.00	14.5
\$40.01 - \$60.00	10.5
\$60.01 - \$80.00	15.8
\$80.01 - \$100.00	11.4
More than \$100.00	11.4

Median Plan Premium 2002	\$40.00
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¹ The premium is the monthly payment made by the beneficiary to the health insurance organization.

SOURCE: CMS/CBC

November 2003

THE HISTORY OF THE CITY OF BOSTON

CHAPTER I.	
1630	First settlement of the city of Boston.
1631	First meeting of the town.
1632	First church established.
1633	First school opened.
1634	First public house.
1635	First printing press.
1636	First hospital.
1637	First library.
1638	First theatre.
1639	First university.
1640	First college.
1641	First academy.
1642	First seminary.
1643	First divinity school.
1644	First law school.
1645	First medical school.
1646	First engineering school.
1647	First agricultural school.
1648	First commercial school.
1649	First naval school.
1650	First military school.
1651	First political school.
1652	First social school.
1653	First religious school.
1654	First scientific school.
1655	First literary school.
1656	First artistic school.
1657	First musical school.
1658	First dramatic school.
1659	First theatrical school.
1660	First operatic school.
1661	First ballet school.
1662	First circus school.
1663	First rodeo school.
1664	First wrestling school.
1665	First boxing school.
1666	First fencing school.
1667	First chess school.
1668	First backgammon school.
1669	First billiards school.
1670	First darts school.
1671	First snooker school.
1672	First pool school.
1673	First tennis school.
1674	First golf school.
1675	First baseball school.
1676	First basketball school.
1677	First football school.
1678	First hockey school.
1679	First ice hockey school.
1680	First figure skating school.
1681	First speed skating school.
1682	First curling school.
1683	First luge school.
1684	First bobsled school.
1685	First sled dog school.
1686	First winter sports school.
1687	First summer sports school.
1688	First outdoor sports school.
1689	First indoor sports school.
1690	First equestrian school.
1691	First archery school.
1692	First shooting school.
1693	First fishing school.
1694	First hunting school.
1695	First birdwatching school.
1696	First gardening school.
1697	First landscaping school.
1698	First horticulture school.
1699	First agriculture school.
1700	First forestry school.

Medicare Contracts with Prepaid Organizations

Type of Contract	Number of Contracts	Number of Enrollees	Payment FY 2003 to date in millions
Total Prepaid Organizations	270	5,304,299	\$33,281.7
Medicare+Choice Programs	150	4,622,154	30,284.2
TEFRA Cost (Cost 1, Cost 2, Cost C)	30	335,114	874.4
Demonstrations and/or PPOs	54	218,319	1,811.3
HCPPs Part B (Health Care Prepayment Plans)	15	102,215	152.9
PFFS	4	23,555	123.9
PACE	17	2,942	35.0

NOTES: The Balanced Budget Act of 1997 changed the requirements regarding effective dates of coverage. As a result, the numbers do not include beneficiaries who changed enrollment status in the latter part of each month. Therefore, the total number of enrollees is understated. This understatement will continue for all future months until the report modifications have been completed. As of August 1, 2003.

SOURCE: CMS/CBC

November 2003

TABLE I	
Summary of the results of the experiments	
Experiment	Results
1. Effect of temperature on the rate of reaction	The rate of reaction increases with increasing temperature.
2. Effect of concentration on the rate of reaction	The rate of reaction increases with increasing concentration.
3. Effect of catalyst on the rate of reaction	The rate of reaction increases with the addition of a catalyst.
4. Effect of surface area on the rate of reaction	The rate of reaction increases with increasing surface area.
5. Effect of pressure on the rate of reaction	The rate of reaction increases with increasing pressure.
6. Effect of solvent on the rate of reaction	The rate of reaction increases with the use of a polar solvent.
7. Effect of pH on the rate of reaction	The rate of reaction increases with increasing pH.
8. Effect of ionic strength on the rate of reaction	The rate of reaction increases with increasing ionic strength.
9. Effect of dielectric constant on the rate of reaction	The rate of reaction increases with increasing dielectric constant.
10. Effect of viscosity on the rate of reaction	The rate of reaction increases with decreasing viscosity.

Medicare Summary of Monthly Risk Contracts

Date	Number of Contracts	Total Enrollees	Monthly Payment in millions
2000			
January	348	6,831,637	3,307
February	346	6,848,119	3,292
March	346	6,853,392	3,276
April	345	6,865,504	3,328
May	343	6,856,197	3,307
June	343	6,866,435	3,292
July	345	6,872,270	3,395
August	343	6,873,845	3,339
September	344	6,868,985	3,365
October	343	6,860,037	3,327
November	343	6,847,912	3,351
December	343	6,826,877	3,334
2001			
January	247	6,153,976	3,085
February	247	6,199,297	3,151
March	250	6,225,458	3,246
April	250	6,225,282	3,209
May	249	6,185,684	3,194
June	250	6,179,262	3,199
July	250	6,179,980	3,208
August	250	6,173,178	3,238
September	251	6,159,822	3,247
October	251	6,144,528	3,191
November	252	6,106,141	3,165
December	253	6,061,252	3,142
2002			
January	224	5,575,853	3,046
February	224	5,587,200	3,089
March	225	5,575,175	3,047
April	225	5,561,679	3,068
May	224	5,541,519	3,033
June	224	5,532,808	3,040
July	224	5,525,427	3,040
August	227	5,522,252	3,061
September	229	5,518,569	3,061
October	229	5,516,293	3,052
November	240	5,501,326	3,034
December	240	5,494,284	3,053

SOURCE: CMS/CBC

November 2003

Medicare Summary of Risk and Cost Contracts by Category

Type of Contract	Number of Contracts	Percent	Number of Enrollees	Percent
HCPP Contracts				
Model				
Group	10	67	69,252	68
Union	2	13	19,329	19
Employer Group	1	7	4,221	4
IPA	1	7	2,913	3
Other	1	6	6,500	6
Ownership				
Profit	1	7	2,913	3
Nonprofit	13	93	92,802	97
Cost Contracts ¹				
Model				
IPA	11	37	193,828	58
Group	16	53	134,859	40
Staff	3	10	6,427	2
Ownership				
Profit	7	23	46,789	14
Nonprofit	23	77	288,325	86
CCP Contracts ¹				
Model				
IPA	76	54	2,550,229	56
Group	55	39	1,505,259	33
Staff	11	7	471,292	11
Ownership				
Profit	96	67	2,598,494	57
NonProfit	48	33	1,958,431	43
PACE Contracts				
Model				
Group	10	100	1,302	100
Ownership				
Profit	8	50	1,227	44
NonProfit	8	50	1,590	56
PFFS Contracts				
Model				
Group	2	100	2,005	100
Ownership				
Profit	3	100	21,863	100

¹ Does not include cost enrollees remaining in risk plans.

NOTES: Data as of August 2003. IPA is the Individual Practice Association.

SOURCE: CMS/CBC

November 2003

Active Physicians

Year	Total	Type of Physician		Active Physicians per 10,000 Population
		Doctors of Medicine	Doctors of Osteopathy	
1970	323,525	310,929	12,596	15.7
1971	334,978	322,228	12,750	16.1
1972	346,179	333,259	12,920	16.5
1973	NA	NA	13,191	NA
1974	364,232	350,609	13,623	17.0
1975	380,402	366,425	13,977	17.6
1976	393,151	378,572	14,579	18.0
1977	397,113	381,969	15,144	18.0
1978	417,314	401,364	15,950	18.7
1979	434,095	417,266	16,829	19.2
1980	435,165	435,545	17,620	19.8
1981	463,330	444,899	18,431	20.1
1982	482,195	462,947	19,248	20.7
1983	499,679	479,440	20,239	21.3
1984	NA	NA	21,295	NA
1985	533,573	511,090	22,483	22.3
1986	543,247	519,393	23,854	22.5
1987	559,777	534,692	25,085	23.0
1988	575,626	549,160	26,466	23.4
1989	587,751	559,988	27,763	23.7
1990	601,612	572,660	28,952	24.0
1991	624,797	594,697	30,100	24.6
1992	636,891	605,685	31,206	24.8
1993	652,240	619,751	32,489	24.9
1994	666,200	632,121	34,079	25.2
1995	681,742	646,022	35,720	25.5
1996	701,249	663,943	37,306	26.0
1997	723,537	684,605	38,932	27.0
1998	747,784	707,032	40,752	27.5
1999	763,519	720,855	42,664	27.9
2000	782,280	737,504	44,776	27.8
2001	793,091	751,689	41,402	27.8

NOTES: The AMA changed the methodology for calculating active MDs. Active MDs now include All Not Classified MDs, and excludes physicians whose addresses are unknown.

SOURCES: National Centers for Health Statistics, based on data from the American Medical Association, American Association of Colleges of Osteopathic Medicine and the Bureau of the Census

November 2003

**Active Federal and Non-Federal
Physicians
By CMS Region
2001**

CMS Region	Total	Type of Physician		Active Physicians per 100,000 Population ¹
		Doctors of Medicine	Doctors of Osteopathy	
Total	793,091	751,689	41,402	278
Boston	53,134	51,737	1,397	378
New York	104,586	99,528	5,058	379
Philadelphia	93,638	87,323	6,315	334
Atlanta	128,843	123,942	4,901	238
Chicago	134,039	123,474	10,565	266
Dallas	75,622	71,429	4,193	223
Kansas City	31,457	28,329	3,128	242
Denver	22,278	21,250	1,028	234
San Francisco	109,629	105,920	3,709	254
Seattle	28,221	27,113	1,108	247
U.S. Possessions ²	11,644	11,644	—	NA
Foreign and Unknown ³	—	—	—	NA

¹ Rate for Total (All Areas) based on U.S. Resident population as of July 1, 2001.

² Possessions include Puerto Rico, Virgin Islands, and Pacific Islands.

³ Includes osteopathic physicians in military service, U.S. Public Health Service and foreign countries.

SOURCES: National Centers for Health Statistics, based on data from the American Medical Association, American Association of Colleges of Osteopathic Medicine, and the Bureau of the Census

November 2003

Physician Income and Expenses by Specialty 1998

	Mean Net Income ¹	Mean Total Expenses	Expenses						
			Total	Non-Physician		Professional			Other
				Payroll	Office	Medical Supplies	Liability Expenses	Medical Equipment	
in thousands			Percent Distribution						
All Physicians	\$194.4	\$261.9	100.0	35.9	24.0	9.4	6.4	4.3	20.0
Specialty									
General/Family Practice	142.5	263.0	100.0	41.7	22.9	11.0	4.1	3.9	16.4
Internal Medicine	182.1	259.7	100.0	38.1	22.9	12.2	6.4	4.0	16.5
Surgery	268.2	325.8	100.0	37.4	35.3	11.0	7.0	4.3	16.4
Pediatrics	139.6	187.3	100.0	32.3	28.8	13.9	5.5	2.3	17.2
Obstetrics/Gynecology	214.4	375.9	100.0	35.6	32.9	6.5	9.5	4.3	15.5

¹ After expenses, before taxes.

NOTES: The data for categories "Mean Net Income" and "Mean Total Expenses" are in thousands. Totals do not necessarily equal the sum of rounded components.

SOURCE: American Medical Association, Socioeconomic Characteristics of Medical Practice, 2000.

November 2003

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Medicare Part B Practitioners by Major Category **February 2004**

Major Category	Number	Percent
All Part B Practitioners	906,422	100.0
Physician Specialties (PHYSSTAT=1)		
Primary Care	586,411	64.7
Medical Specialties	213,468	23.6
Surgical Specialties	93,685	10.3
Emergency Medicine	99,509	11.0
Anesthesiology	30,171	3.3
Radiology	33,960	3.7
Pathology	33,463	3.7
Obstetrics/Gynecology	12,471	1.4
Psychiatry	34,884	3.8
Other and Unknown	34,618	3.8
Limited Licensed Practitioners (PHYSSTAT=2)	182	0.0
Non-physician Practitioners (PHYSSTAT=3)	108,964	12.0
	211,047	23.3

NOTES: PHYSSTAT refers to the name of the variable in the Unique Physician Identification Number (UPIN) database that is used to group practitioners by his or her medical credentials. Specialty code is self-reported and may not correspond to actual board certification. Totals do not necessarily equal the sum of rounded components.

SOURCES: CMS/OFM's and CMM's Unique Physician Identification Number database/classification by ORDI

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Physician Income and Expenses 1986 - 1998

Year	Mean Net Income ¹	Mean Total Expenses	Expenses						
			Total	Non-Physician Payroll	Office	Percent Distribution			
						Medical Supplier	Professional Liability Expenses	Medical Equipment	Other
in thousands									
1986	\$119.5	\$118.4	100.0	32.8	24.1	11.1	10.8	5.9	15.3
1987	132.3	123.7	100.0	34.4	24.3	10.9	12.1	5.3	13.1
1988	144.7	140.8	100.0	34.4	24.1	10.3	11.3	4.9	15.0
1989	155.8	148.4	100.0	35.5	22.4	11.5	10.4	5.1	15.0
1990	164.3	150.0	100.0	36.3	22.5	11.0	9.7	5.1	15.5
1991	170.6	168.4	100.0	36.4	23.3	10.9	8.8	5.3	15.3
1992	177.4	179.0	100.0	36.9	23.7	9.0	7.5	4.1	18.7
1993	189.3	182.2	100.0	38.3	23.5	9.1	7.9	4.8	16.3
1994	182.4	183.1	100.0	38.9	26.0	10.5	8.2	4.6	11.7
1995	195.5	201.6	100.0	36.0	28.3	10.1	7.4	5.1	13.0
1996	199.0	217.6	100.0	34.8	23.8	9.3	6.5	3.9	21.8
1997	199.6	228.6	100.0	36.8	25.9	9.5	6.2	3.3	18.3
1998	194.4	261.9	100.0	35.9	24.0	9.4	6.4	4.3	20.0

¹ After expenses, before taxes.

NOTES: The data for categories "Mean Net Income" and "Mean Total Expenses" are in thousands. Totals do not necessarily equal the sum of rounded components.

SOURCE: American Medical Association, Socioeconomic Characteristics of Medical Practice, 2000.

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Medicare Physician and Other Practitioner Registry by Specialty
February 2004
continued

Specialty ¹	April 2003	
	Number	Percent
Hand Surgery	570	0.1
Vascular Surgery ²	1,773	0.2
Cardiac Surgery ²	1,565	0.2
Maxillofacial Surgery ²	270	0.0
Surgical Oncology ²	477	0.1
Radiation Oncology ²	3,278	0.4
Emergency Medicine ²	30,171	3.3
Pediatrics	25,265	2.8
Other and Unknown	110,060	12.1
Obstetrics-Gynecology	34,419	3.8
Pathology	12,471	1.4
Psychiatry	34,483	3.8
Radiology	28,687	3.2
Limited Licensed Practitioners (PHYSSTAT=2)	107,521	11.9
Optometry	29,465	3.3
Oral Surgery/Dentists only	10,651	1.2
Podiatry	14,929	1.6
Chiropractor	52,476	5.8
Non-Physician Practitioners (PHYSSTAT=3)	34,605	3.8
Anesthesiology	33,960	3.7
Osteopathic Manipulative Therapy	645	0.1
Nuclear Medicine	687	0.1
Certified Nurse Midwife	2,633	0.3
CRNA, Anesthesia Assistant	26,217	2.9
Ambulatory Surgical Center (formerly Misc)	67	0.0
Nurse Practitioner	36,153	4.0
Psychologist/billing independently	1,325	0.1
Audiologist/billing independently	3,955	0.4
Physical Therapist	24,479	2.7
Occupational Therapist	3,631	0.4
Addiction Medicine ²	123	0.0
Clinical Social Worker	42,091	4.6
Neuropsychiatry ²	135	0.0
Certified Clinical Nurse	2,672	0.3
Interventional Radiology ²	811	0.1
Physician Assistant	27,700	3.1
Gynecology Oncology ³	465	0.1
Clinical Psychology	33,562	3.7
Unknown Physician Specialty	102	0.0
Miscellaneous Specialties		0.0
Totals	906,422	100.0

NOTES: Totals do not necessarily equal the sum of rounded components.

SOURCES: CMS/CMS/ORDI

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Medicare Physician and Other Practitioner Registry by Specialty
February 2004

Specialty ¹	April 2003	
	Number	Percent
All Medical Specialties	586,411	64.7
General and Family Practice	96,754	10.7
General Practice	19,941	2.2
Family Practice	76,437	8.4
Preventive Medicine ²	376	0.0
Medical	183,784	20.3
Allergy/Immunology	3,165	0.3
Cardiology	20,173	2.2
Dermatology	9,234	1.0
Gastroenterology	9,713	1.1
Internal Medicine	91,825	10.1
Neurology	11,264	1.2
Pulmonary Disease	7,136	0.8
Physical Med and Rehab	6,373	0.7
Geriatrics	1,066	0.1
Nephrology	5,166	0.6
Infectious Disease	3,323	0.4
Endocrinology ²	3,152	0.3
Rheumatology ²	3,023	0.3
Clinic multispec W/O GPP	111	0.0
Periph. Vascular Disease ²	117	0.0
Critical Care Intensivists ²	1,023	0.1
Hematology ²	601	0.1
Hematology/Oncology ²	5,253	0.6
Medical Oncology ²	2,066	0.2
Surgical	102,805	11.3
General Surgery	24,191	2.7
Otolaryngology (ENT)	8,977	1.0
Neurosurgery	4,337	0.5
Ophthalmology	17,641	1.9
Orthopedic Surgery	21,507	2.4
Plastic/reconstructive Surgery	5,302	0.6
Colorectal Surgery (proctology)	859	0.1
Thoracic Surgery	2,659	0.3
Urology	9,399	1.0

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VII. STATE DATA

State distributions are included for Medicare and Medicaid expenditures, populations, utilization and providers. In addition, State distributions are included for national experience on utilization and providers of services. New in this section are several tables showing number of patients and reimbursement for hospice, home health and skilled nursing facility services.

HIGHLIGHTS

- o Medicare enrollees comprise 13.7 percent of the United States' resident population. State enrollees range from a low of 7.1 percent of Alaska's resident population to a high of 19.0 percent of West Virginia's resident population.*
- o Medicaid enrollees (as measured by eligibles or ever enrolled) comprise 15.7 percent of the United States' resident population. State enrollees range from a low of 7.9 percent of Nevada's resident population to a high of 26.9 percent of Tennessee's resident population.*
- o Long-stay hospital beds per 1,000 HI enrollees range from a low of 1.0 in Oregon to a high of 13.9 in the District of Columbia. This contrasts with the national average of 3.1.*
- o The percentage of Medicare Part B participating physicians and other practitioners range from a high of 97.3 percent in Michigan and North Dakota to a low of 77.2 percent in Rhode Island.*
- o Under fee-for-service, aged persons served per 1,000 enrollees (U.S.) range from a low of 777 in the District of Columbia to essentially all aged enrollees in Oregon. This contrasts with the national average of 918 persons served per 1,000 enrollees.*
- o The average reimbursement per patient for Medicare home health agency services (U.S.) range from a high of \$5,362 in Louisiana to a low of \$2,255 in North Dakota. This contrasts with the national average reimbursement per patient of \$3,560.*
- o The average reimbursement per discharge for Medicare skilled nursing facility non-swing bed services (U.S.) range from a high of \$15,109 in New York to a low of \$5,093 in Montana. This contrasts with the national average of \$8,348 per discharge.*

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Medicare Estimated Benefit Payments by State **Fiscal Year 2001**

Benefit Payments		Benefit Payments
All Areas	\$236,492,551,946	
United States	234,970,769,877	
Alabama	4,270,957,179	
Alaska	169,288,393	
Arizona	3,322,292,384	
Arkansas	2,420,405,701	
California	24,858,719,236	
Colorado	2,698,488,436	
Connecticut	3,117,051,627	
Delaware	500,000,394	
District of Columbia	792,265,128	
Florida	21,580,487,727	
Georgia	4,397,177,577	
Hawaii	717,997,990	
Idaho	741,440,673	
Illinois	8,001,946,687	
Indiana	4,999,249,587	
Iowa	1,632,031,674	
Kansas	2,141,311,524	
Kentucky	3,640,056,994	
Louisiana	4,902,925,823	
Maine	875,798,371	
Maryland	4,611,431,715	
Massachusetts	5,963,041,223	
Michigan	7,012,604,450	
Minnesota	3,136,906,920	
Mississippi	2,140,390,706	
Missouri		\$4,755,401,621
Montana		663,415,658
Nebraska		1,366,977,351
Nevada		1,272,773,858
New Hampshire		714,188,267
New Jersey		6,885,641,611
New Mexico		879,539,933
New York		20,436,629,972
North Carolina		6,797,677,203
North Dakota		562,654,098
Ohio		10,685,163,793
Oklahoma		2,343,402,917
Oregon		2,181,567,489
Pennsylvania		15,141,847,286
Rhode Island		1,146,888,423
South Carolina		3,356,574,015
South Dakota		622,091,698
Tennessee		5,545,548,969
Texas		16,336,060,639
Utah		1,077,334,102
Vermont		361,871,329
Virginia		3,897,031,283
Washington		3,209,405,506
West Virginia		1,822,038,805
Wisconsin		3,961,454,618
Wyoming		281,638,648
Puerto Rico		1,454,822,599
All Other Areas		66,959,470

NOTES: Benefit payments for all areas represent actual Department of Treasury (DOT) disbursements on a paid basis by location of provider or plan, not residence of beneficiary. Distribution of benefit payments by State is based on a methodology which considered actual payments to health maintenance organizations and estimated payments for other providers of Medicare services. Estimated payments were determined by applying the relative weight of each State's share of total fee-for-service provider payments for fiscal year 2001 to the DOT disbursements net of Managed Care payments.

SOURCES: CMS/OFM/OIS

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Medicaid Medical Assistance Payments Fiscal Year 2002

	Total Payments Computable For Federal Funding	Net Expenditures Reported Federal Share	Total Payments Computable For Federal Funding	Net Expenditures Reported Federal Share
Amount in thousands				
TOTAL	\$246,283,943	\$140,041,579		
Alabama	3,093,271	2,184,680	Missouri	5,360,608
Alaska	685,773	441,180	Montana	571,456
American Samoa	11,209	5,804	Nebraska	1,339,132
Arizona	3,541,599	2,376,801	Nevada	808,198
Arkansas	2,237,818	1,630,195	New Hampshire	1,016,095
California	26,890,541	13,939,975	New Jersey	7,745,878
Colorado	2,323,069	1,167,104	New Mexico	1,776,812
Connecticut	3,456,339	1,742,046	New York	36,295,107
Delaware	634,046	318,201	North Carolina	6,723,599
District of Columbia	1,021,773	715,695	North Dakota	461,402
Florida	9,871,508	5,586,227	N. Mariana Islands	11,745
Georgia	6,241,211	3,684,680	Ohio	9,658,041
Guam	11,158	5,779	Oklahoma	2,260,404
Hawaii	740,007	417,393	Oregon	2,571,561
Idaho	773,535	550,619	Pennsylvania	12,130,925
Illinois	8,809,060	4,424,297	Puerto Rico	541,495
Indiana	4,448,318	2,765,176	Rhode Island	1,358,501
Iowa	2,575,146	1,620,509	South Carolina	3,292,901
Kansas	1,836,717	1,106,550	South Dakota	549,884
Kentucky	3,763,204	2,634,564	Tennessee	5,787,079
Louisiana	4,885,972	3,441,288	Texas	13,523,486
Maine	1,430,109	954,013	Utah	984,161
Maryland	3,613,476	1,819,847	Vermont	660,732
Massachusetts	8,063,005	4,045,127	Virginia	3,812,166
Michigan	7,562,053	4,267,978	Virgin Islands	10,715
Minnesota	4,414,511	2,218,157	Washington	5,168,512
Mississippi	2,877,014	2,191,340	West Virginia	1,584,166
			Wisconsin	4,193,175
			Wyoming	274,565

NOTES: Source Form CMS-64 -- Net Expenditures Reported. Excludes: Administration, Medicaid SCHIP expansions and CMS adjustments.

SOURCE: CMS/CMSO

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Mean Medicaid Outlays by Basis of Eligibility 2000

	Total	Aged	Disabled	Child	Adult
United States	\$3,936	\$11,929	\$10,559	\$1,358	\$2,030
Alabama	3,860	10,504	4,860	788	1,978
Alaska	4,876	12,833	16,754	2,665	3,630
Arizona	3,100	11,616	9,082	1,246	2,444
Arkansas	3,086	8,620	7,065	1,278	1,071
California	2,155	6,269	8,532	1,108	1,006
Colorado	4,747	12,679	12,257	1,820	2,266
Connecticut	6,762	23,813	20,406	1,705	1,981
Delaware	4,584	15,968	14,877	1,698	2,661
District of Columbia	5,715	19,993	16,535	2,008	2,474
Florida	3,114	9,763	8,467	1,072	1,680
Georgia	2,774	8,799	6,587	1,053	2,343
Hawaii	2,626	8,774	6,587	1,514	1,519
Idaho	4,530	14,213	13,560	1,205	2,810
Illinois	5,150	13,185	13,790	1,505	2,482
Indiana	4,224	15,079	13,424	1,344	2,149
Iowa	4,707	14,605	11,282	1,424	2,028
Kansas	4,670	14,375	13,003	1,153	2,080
Kentucky	3,780	10,891	7,334	1,594	2,270
Louisiana	3,456	8,183	8,506	952	2,477
Maine	6,820	13,297	15,075	3,030	2,907
Maryland	5,396	15,360	15,577	2,052	4,026
Massachusetts	5,153	17,502	12,073	1,513	1,893
Michigan	3,611	11,685	5,658	893	1,777
Minnesota	5,857	18,475	17,988	1,833	2,113
Mississippi	2,987	8,069	6,287	969	2,539
Missouri	3,673	12,149	10,308	1,398	1,344
Montana	4,173	13,832	10,303	1,930	2,624
Nebraska	4,185	13,727	12,247	1,513	2,017
Nevada	3,733	8,850	9,839	1,595	2,402
New Hampshire	6,712	19,475	20,083	2,350	2,562
New Jersey	5,724	15,913	13,489	1,567	5,591
New Mexico	3,325	9,797	10,306	1,461	1,940
New York	7,646	22,139	20,400	2,142	4,059
North Carolina	3,996	9,845	10,256	1,173	2,611
North Dakota	5,852	16,391	17,490	1,474	2,038
Ohio	5,434	18,936	13,087	1,324	2,246
Oklahoma	3,163	8,285	8,980	1,195	1,264
Oregon	3,135	10,161	8,693	1,503	2,084
Pennsylvania	4,266	13,518	7,640	1,617	2,055
Rhode Island	5,982	18,920	17,745	1,469	1,877
South Carolina	3,900	8,125	8,678	1,369	1,483
South Dakota	3,935	11,227	11,183	1,314	2,129
Tennessee	2,226	977	5,015	1,288	2,157
Texas	3,487	9,210	10,930	1,287	2,421
Utah	4,277	10,490	13,000	1,493	1,851
Vermont	3,451	7,431	11,049	1,775	1,431
Virginia	3,960	9,318	9,699	1,240	2,232
Washington	2,717	9,735	6,986	1,075	2,733
West Virginia	4,154	12,891	7,389	1,288	1,874
Wisconsin	5,039	16,330	12,361	1,191	1,422
Wyoming	4,609	14,451	14,045	1,362	2,560

NOTE: Other and unknown basis of eligibility not shown separately.

SOURCES: CMS/CMO/ORDI

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Medicare Enrollment by State 2002

Enrollees		Enrollees	
All Areas ¹	40,488,871		
United States ²	39,582,287		
Alabama	706,136	Missouri	874,014
Alaska	45,615	Montana	140,236
Arizona	714,179	Nebraska	255,678
Arkansas	445,983	Nevada	264,257
California	3,998,983	New Hampshire	176,054
Colorado	483,563	New Jersey	1,208,991
Connecticut	517,148	New Mexico	244,178
Delaware	116,952	New York	2,731,061
District of Columbia	73,520	North Carolina	1,181,900
Florida	2,894,202	North Dakota	102,985
Georgia	954,759	Ohio	1,710,854
Hawaii	171,438	Oklahoma	515,025
Idaho	173,451	Oregon	505,866
Illinois	1,640,907	Pennsylvania	2,098,754
Indiana	865,293	Rhode Island	171,833
Iowa	479,042	South Carolina	594,269
Kansas	391,459	South Dakota	120,750
Kentucky	637,478	Tennessee	857,332
Louisiana	611,518	Texas	2,341,711
Maine	223,292	Utah	215,456
Maryland	663,301	Vermont	91,366
Massachusetts	959,845	Virginia	928,155
Michigan	1,423,221	Washington	760,122
Minnesota	666,707	West Virginia	342,829
Mississippi	429,384	Wisconsin	793,959
		Wyoming	67,276
		Puerto Rico	560,725

¹ Includes U.S. and enrollees residing in outlying territories, foreign countries and those with unknown state of residence.

² Includes enrollees residing in 50 states and the District of Columbia.

NOTE: Data based on Denominator Tables as of March 2003.

SOURCE: CMS/ORDI

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Medicare Enrollment as a Percent of Resident Population by State 2002

	Resident Population in thousands	Medicare Enrollees in thousands	Enrollees as Percent of Population		Resident Population in thousands	Medicare Enrollees in thousands	Enrollees as Percent of Population
All Areas	NA	40,489 ¹	NA	Missouri	5,673	874	15.4
United States	288,369	39,582 ²	13.7	Montana	909	140	15.4
Alabama	4,487	706	15.7	Nebraska	1,729	256	14.8
Alaska	644	46	7.1	Nevada	2,173	264	12.1
Arizona	5,456	714	13.1	New Hampshire	1,275	176	13.8
Arkansas	2,710	446	16.5	New Jersey	8,590	1,209	14.1
California	35,116	3,999	11.4	New Mexico	1,855	244	13.2
Colorado	4,507	484	10.7	New York	19,158	2,731	14.3
Connecticut	3,461	517	14.9	North Carolina	8,320	1,182	14.2
Delaware	807	117	14.5	North Dakota	634	103	16.2
District of Columbia	571	74	13.0	Ohio	11,421	1,711	15.0
Florida	16,713	2,894	17.3	Oklahoma	3,494	515	14.7
Georgia	8,560	955	11.2	Oregon	3,522	506	14.4
Hawaii	1,245	171	13.7	Pennsylvania	12,335	2,099	17.0
Idaho	1,341	173	12.9	Rhode Island	1,070	172	16.1
Illinois	12,601	1,641	13.0	South Carolina	4,107	594	14.5
Indiana	6,159	865	14.0	South Dakota	761	121	15.9
Iowa	2,937	479	16.3	Tennessee	5,797	857	14.8
Kansas	2,716	391	14.4	Texas	21,780	2,342	10.8
Kentucky	4,093	637	15.6	Utah	2,316	215	9.3
Louisiana	4,483	612	13.7	Vermont	617	91	14.7
Maine	1,294	223	17.2	Virginia	7,294	928	12.7
Maryland	5,458	663	12.1	Washington	6,069	760	12.5
Massachusetts	6,428	960	14.9	West Virginia	1,802	343	19.0
Michigan	10,050	1,423	14.2	Wisconsin	5,441	794	14.6
Minnesota	5,020	667	13.3	Wyoming	499	67	13.4
Mississippi	2,872	429	14.9	Puerto Rico	NA	561	NA

¹ Includes the United States, its Territories and Possessions, residents of foreign countries and residence unknown.

² Includes enrollees residing in the 50 States and the District of Columbia.

NOTES: Resident population is a provisional estimate. The 2002 resident population data for Outlying Areas, Puerto Rico, and the Virgin Islands are not available. Medicare Denominator enrollment data as of March 2003. Detail may not add to total due to rounding.

SOURCES: CMS/ORDI and Bureau of the Census

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1. The first part of the report is a general introduction to the subject.

2. The second part is a detailed description of the methods used in the study.

3. The third part is a discussion of the results of the study.

4. The fourth part is a conclusion and a list of references.

5. The fifth part is a summary of the main findings of the study.

6. The sixth part is a list of the names of the authors and their institutions.

7. The seventh part is a list of the titles of the papers presented at the conference.

8. The eighth part is a list of the names of the speakers and their topics.

Medicaid Eligibles by State Fiscal Year 2000

	Resident Population in thousands	Medicaid Eligibles in thousands	Eligibles as Percent of Population		Resident Population in thousands	Medicaid Eligibles in thousands	Eligibles as Percent of Population
All Reporting Medicaid Jurisdictions	NA	NA	NA	Missouri	5,605	991	17.7
United States	282,224	44,297	15.7	Montana	903	97	10.7
Alabama	4,452	666	15.0	Nebraska	1,713	238	13.9
Alaska	628	109	17.4	Nevada	2,019	159	7.9
Arizona ¹	5,167	683	13.2	New Hampshire	1,240	110	8.9
Arkansas	2,679	504	18.8	New Jersey	8,433	856	10.2
California	34,010	8,064	23.7	New Mexico	1,822	398	21.8
				New York	19,000	3,401	17.9
Colorado	4,327	378	8.7	North Carolina	8,082	1,228	15.2
Connecticut	3,412	418	12.3	North Dakota	641	62	9.7
Delaware	787	124	15.8	Ohio	11,364	1,420	12.5
District of Columbia	572	151	26.4	Oklahoma	3,454	585	16.9
Florida	16,051	2,238	13.9	Oregon	3,431	561	16.4
				Pennsylvania	12,286	1,768	14.4
Georgia	8,234	1,239	15.0	Rhode Island	1,051	182	17.3
Hawaii	1,213	203	16.7				
Idaho	1,300	151	11.6	South Carolina	4,024	775	19.3
Illinois	12,441	1,736	14.0	South Dakota	756	99	13.1
Indiana	6,092	756	12.4	Tennessee	5,703	1,535	26.9
				Texas	20,955	2,707	12.9
Iowa	2,929	316	10.8	Utah	2,243	204	9.1
Kansas	2,693	268	10.0				
Kentucky	4,049	724	17.9	Vermont	610	148	24.3
Louisiana	4,470	827	18.5	Virginia	7,106	681	9.6
Maine	1,277	214	16.8	Washington	5,912	917	15.5
				West Virginia	1,807	354	19.6
Maryland	5,312	722	13.6	Wisconsin	5,374	619	11.5
Massachusetts	6,362	1,104	17.4	Wyoming	494	52	10.5
Michigan	9,956	1,361	13.7				
Minnesota	4,934	597	12.1	Puerto Rico	NA	NA	NA
Mississippi	2,849	596	20.9	Virgin Islands	NA	NA	NA

¹ Arizona operates a medical assistance program under a Section 1115 Demonstration project.

NOTES: Resident population is a provisional estimate as of July 1, 2000. The 2000 resident population data for Puerto Rico and Virgin Islands are not available. Medicaid eligibles represent those ever enrolled in Medicaid at any time during the year.

SOURCES: CMS/CMSO/ORDI and Bureau of the Census

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Medicare State Buy-Ins for Part A and Part B June 2003

State	Part A QMBs	Part B Buy-Ins	Part B QMBs ¹	Part B SLMBs ¹	Part B QI-1s ¹	Part B MAOs ¹	State	Part A QMBs	Part B Buy-Ins	Part B QMBs ¹	Part B SLMBs ¹	Part B QI-1s ¹	Part B MAOs ¹
Total	376,746	6,127,590	2,698,703	553,851	138,684	388,230	Missouri	687	99,005	68,065	14,364	1,791	---
Alabama	2,114	162,698	46,293	23,554	10,971	4,192	Montana	391	13,904	9,204	2,257	389	---
Alaska	689	9,947	7,312	114	---	---	Nebraska	---	22,879	12,227	2,003	---	11
Arizona	796	90,531	43,615	10,358	6,533	14,788	Nevada	1,476	24,410	14,419	3,957	1,100	1,414
Arkansas	2,554	86,300	25,406	9,276	3,010	5,991	New Hampshire	30	10,059	1,384	5,785	---	734
California	134,436	945,548	334,241	29,345	4,987	164,447	New Jersey	7,661	155,541	94,747	18,410	7,577	14,600
Colorado	373	58,886	10,226	---	---	3,529	New Mexico	331	44,519	10,994	3,579	1,084	5,809
Connecticut	2,666	64,727	44,413	9,139	5,468	---	New York	344	429,937	175,127	8,964	10,570	---
Delaware	319	15,146	3,257	1,711	378	---	North Carolina	10,836	239,944	63,622	4,410	9,116	771
District of Columbia	706	11,968	311	1,537	---	---	North Dakota	---	6,560	2,008	822	271	---
Florida	44,091	390,171	178,177	38,834	15,724	33,237	Ohio	5,171	190,806	58,227	21,296	8,939	11,067
Georgia	3,204	194,959	53,032	24,311	9,834	19,558	Oklahoma	3,453	71,299	56,056	10,757	3,403	---
Hawaii	4,031	22,911	19,081	905	247	1,912	Oregon	67	68,504	37,108	10,625	---	1,989
Idaho	524	21,222	11,768	2,144	673	4,495	Pennsylvania	16,066	229,534	127,100	38,649	---	---
Illinois	2,357	175,151	118,877	20,867	8,107	---	Rhode Island	398	25,087	809	---	---	---
Indiana	1,712	101,992	62,733	16,664	2,767	16,820	South Carolina	1,317	119,491	76,308	11,699	---	10,632
Iowa	953	56,833	35,634	8,751	1,661	9,042	South Dakota	717	14,195	4,501	2,030	534	---
Kansas	625	44,500	17,993	3,563	787	956	Tennessee	5,253	203,181	93,116	12,846	---	---
Kentucky	2,710	126,770	34,872	15,372	4,465	---	Texas	46,143	408,108	120,312	55,968	---	---
Louisiana	3,735	126,890	74,054	15,869	5,996	250	Utah	84	18,426	11,970	2,412	---	2,900
Maine	16	42,307	19,458	5,886	---	---	Vermont	101	15,061	3,962	2,809	---	13
Maryland	8,594	73,929	59,226	5,031	1,664	7,491	Virginia	3,315	120,167	40,552	9,897	2,555	10,436
Massachusetts	18,764	167,599	140,622	18,583	2,785	11	Washington	4,846	105,473	75,379	7,233	2,318	7,534
Michigan	14,030	158,118	51,748	19,195	271	871	West Virginia	3,034	49,961	40,819	6,807	1,797	---
Minnesota	5,875	74,801	13,775	3,160	---	---	Wisconsin	3,844	77,906	22,011	9,770	584	---
Mississippi	5,156	131,373	69,708	1,450	---	31,862	Wyoming	147	7,465	2,844	880	325	859
Outlying Areas													
Included in Part B Buy-In column.													

NOTES: "----" equals ten or fewer observations. Qualified Medicare Beneficiaries (QMBs) and Specified Low-income Medicare Beneficiaries (SLMBs), Qualified Individuals (QI-1s), and Medical Assistance Only (MAOs) are persons with limited resources. In addition to Medicare premiums, the Medicaid program may cover the cost of deductibles, coinsurance, and certain non-Medicare covered services which Medicare beneficiaries normally pay out of their own pockets.

SOURCE: CMS/OIS

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Medicare Persons Served by State Calendar Year 2001

	Aged			Disabled			Aged			Disabled		
	Persons Served in thousands	Served per 1,000 Enrollees	Persons Served in thousands	Persons Served in thousands	Served per 1,000 Enrollees		Persons Served in thousands	Served per 1,000 Enrollees	Persons Served in thousands	Persons Served in thousands	Served per 1,000 Enrollees	Served per 1,000 Enrollees
All Areas	26,326	918	4,358	843		Missouri	576	934	105	856		
United States	26,001	929	4,262	850		Montana	111	935	16	849		
Alabama	483	937	111	873		Nebraska	206	946	25	897		
Alaska	30	850	6	808		Nevada	126	859	21	785		
Arizona	360	919	53	779		New Hampshire	133	912	18	788		
Arkansas	314	934	69	874		New Jersey	847	909	110	835		
California	1,797	881	312	784		New Mexico	152	893	27	834		
Colorado	261	964	45	803		New York	1,731	916	283	818		
Connecticut	358	924	50	871		North Carolina	859	945	177	892		
Delaware	92	941	13	818		North Dakota	87	949	9	857		
District of Columbia	47	777	8	784		Ohio	1,175	944	175	840		
Florida	1,829	952	241	877		Oklahoma	364	936	61	874		
Georgia	677	927	150	880		Oregon	276	1,019	45	841		
Hawaii	97	972	12	846		Pennsylvania	1,266	926	171	815		
Idaho	131	981	19	935		Rhode Island	84	910	16	760		
Illinois	1,184	918	159	854		South Carolina	441	937	100	917		
Indiana	670	952	100	847		South Dakota	96	926	12	888		
Iowa	399	983	47	904		Tennessee	607	933	132	862		
Kansas	301	960	37	874		Texas	1,621	918	241	867		
Kentucky	439	945	117	874		Utah	169	941	21	842		
Louisiana	385	915	86	874		Vermont	71	920	12	882		
Maine	169	925	31	840		Virginia	696	920	118	864		
Maryland	497	891	66	857		Washington	458	907	72	806		
Massachusetts	549	896	102	817		West Virginia	245	987	59	884		
Michigan	1,076	951	171	866		Wisconsin	616	954	78	872		
Minnesota	496	985	63	863		Wyoming	53	939	7	867		
Mississippi	303	937	84	898		Puerto Rico	293	--	92	--		
						Other Outlying Areas	7	--	1	--		
						Unknown & Foreign	24	--	3	--		

¹ Less than 500.

NOTES: Persons served represents persons receiving a reimbursed service under fee-for-service at any time during the year. The denominator used to calculate the rate served per 1,000 enrollees is the July 1, 2001 HI and/or SMI fee-for-service population. The rates may exceed 1,000 for a variety of reasons, including areas with rapidly changing fee-for-service/managed care distributions.

SOURCE: CMS/ORDI

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National Community Hospital Care by State 2001 Annual Survey

	Admissions in thousands	Average Stay in Days	Outpatient Visits in thousands		Admissions in thousands	Average Stay in Days	Outpatient Visits in thousands
United States	33,814	5.7	538,480	Missouri	801	5.3	14,199
Alabama	685	5.2	7,786	Montana	103	10.2	2,648
Alaska	49	6.2	1,388	Nebraska	207	8.8	3,430
Arizona	563	4.5	5,072	Nevada	208	4.9	2,126
Arkansas	371	5.5	4,494	New Hampshire	116	5.5	2,930
California	3,333	5.4	48,548	New Jersey	1,084	5.7	18,445
Colorado	414	5.1	6,913	New Mexico	164	4.6	3,409
Connecticut	360	6.1	6,489	New York	2,411	7.9	45,646
Delaware	83	6.0	1,485	North Carolina	973	6.1	13,431
District of Columbia	132	6.8	1,419	North Dakota	92	8.6	1,859
Florida	2,207	5.2	20,771	Ohio	1,439	5.2	28,377
Georgia	904	6.1	12,015	Oklahoma	435	5.4	4,570
Hawaii	108	8.1	3,168	Oregon	335	4.3	7,658
Idaho	123	5.6	2,640	Pennsylvania	1,809	5.7	32,063
Illinois	1,559	5.3	25,270	Rhode Island	121	5.3	2,151
Indiana	718	5.5	14,393	South Carolina	505	5.8	7,629
Iowa	371	6.7	9,399	South Dakota	104	10.1	1,828
Kansas	322	6.8	5,394	Tennessee	751	5.5	9,537
Kentucky	595	5.6	8,677	Texas	2,461	5.1	31,454
Louisiana	683	5.5	10,060	Utah	203	4.4	4,418
Maine	149	6.0	3,513	Vermont	55	7.4	1,292
Maryland	608	4.9	6,266	Virginia	744	5.7	9,749
Massachusetts	767	5.7	18,778	Washington	523	4.8	9,433
Michigan	1,122	5.4	25,984	West Virginia	297	6.1	5,762
Minnesota	586	7.0	8,566	Wisconsin	579	6.0	11,029
Mississippi	436	6.9	4,102	Wyoming	48	8.0	818

SOURCE: American Hospital Association's 2003 Hospital Statistics.

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My dear Mr. [Name]

I have just received your letter of the 10th inst. and am glad to hear from you. I am well and hope this finds you the same.

I am sorry to hear that you are not well. I hope you will soon be able to get on your feet.

I am sure you will be able to do so. I am sure you will be able to do so.

I am sure you will be able to do so. I am sure you will be able to do so.

I am sure you will be able to do so. I am sure you will be able to do so.

I am sure you will be able to do so. I am sure you will be able to do so.

**Medicare Hospice Utilization by State
Calendar Year 2001**

	Total Patients	Total Reimbursement	Total Covered Days	Total Covered Hours	Total Covered Procedures	Average Reimbursement Per Patient	Average Days Per Patient
Total	594,436	\$3,690,388,745	30,555,548	2,291,673	535,075	\$6,208	51
Alabama	13,111	108,496,688	1,084,255	35,881	1,428	8,275	83
Alaska	47	310,045	2,430	-	-	6,597	52
Arizona	17,614	116,603,922	888,804	21,162	23,088	6,620	50
Arkansas	5,830	37,593,532	370,851	5,312	1,803	6,448	64
California	54,104	331,044,777	2,437,209	151,144	33,751	6,119	45
Colorado	9,865	55,982,267	442,209	1,091	3,672	5,675	45
Connecticut	5,919	38,031,788	215,912	2,893	8,460	6,425	36
Delaware	1,671	9,321,668	79,771	-	72	5,578	48
District of Columbia	643	3,953,237	28,029	-	296	6,148	44
Florida	63,444	449,961,096	3,312,577	1,263,859	157,802	7,092	52
Georgia	16,015	101,648,959	869,507	6,866	4,308	6,347	54
Hawaii	1,448	9,222,318	60,228	-	32	6,369	42
Idaho	2,021	11,346,762	107,362	9,273	221	5,614	53
Illinois	25,786	147,553,225	1,186,355	99,708	9,985	5,722	46
Indiana	11,658	69,930,739	617,979	2,698	13,186	5,999	53
Iowa	7,511	40,476,441	371,909	1,621	4,164	5,389	50
Kansas	4,825	25,897,707	244,331	877	3,251	5,367	51
Kentucky	8,945	55,946,153	502,559	9,277	12,087	6,254	56
Louisiana	8,419	50,368,628	461,080	8,848	4,380	5,983	55
Maine	1,285	7,255,236	67,995	68	130	5,646	53
Maryland	8,748	44,340,327	348,388	250	6,926	5,069	40
Massachusetts	11,070	58,107,526	435,858	3,181	557	5,249	39
Michigan	25,366	145,003,945	1,187,987	9,457	7,766	5,716	47
Minnesota	8,473	51,413,930	425,164	16,112	4,343	6,068	50
Mississippi	6,778	65,333,842	638,956	38,549	10,640	9,639	94
Missouri	15,097	78,542,003	768,174	3,403	826	5,202	51
Montana	1,515	9,085,996	84,278	151	246	5,997	56
Nebraska	3,440	17,217,128	162,672	259	289	5,005	47
Nevada	4,418	26,965,614	177,044	79	8,535	6,104	40

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**Medicare Hospice Utilization by State
Calendar Year 2001
(continued)**

	Total Patients	Total Reimbursement	Total Covered Days	Total Covered Hours	Total Covered Procedures	Average Reimbursement Per Patient	Average Days Per Patient
New Hampshire	1,832	\$10,475,665	82,590	424	246	\$5,718	45
New Jersey	14,319	82,608,015	631,407	66	4,473	5,769	44
New Mexico	4,073	28,982,103	269,876	630	1,734	7,116	66
New York	23,915	152,122,689	1,053,302	15,214	21,169	6,361	44
North Carolina	15,219	98,229,772	854,267	7,010	56,494	6,454	56
North Dakota	1,202	5,107,207	49,900	4,646	222	4,249	42
Ohio	30,909	169,848,806	1,391,259	82,229	28,493	5,495	45
Oklahoma	12,068	97,396,562	988,541	15,850	2,092	8,071	82
Oregon	9,938	53,623,861	451,704	4,649	1,071	5,396	45
Pennsylvania	30,110	164,060,623	1,335,657	28,254	11,850	5,449	44
Puerto Rico	4,670	24,762,826	324,171	948	14,963	5,303	69
Rhode Island	2,047	9,280,510	67,443	-	1,351	4,534	33
South Carolina	7,279	46,632,735	432,691	1,221	1,412	6,406	59
South Dakota	1,008	4,953,137	49,297	58	226	4,914	49
Tennessee	8,910	52,373,942	451,492	11,691	9,372	5,878	51
Texas	43,930	289,729,584	2,517,075	386,533	43,633	6,595	57
Utah	3,895	24,791,981	210,665	433	955	6,365	54
Vermont	846	3,917,836	35,161	1,131	25	4,631	42
Virginia	10,585	64,513,675	558,298	1,233	4,384	6,095	53
Washington	10,789	59,647,498	472,844	9,282	1,728	5,529	44
West Virginia	3,665	21,413,317	195,050	15,416	2,004	5,843	53
Wisconsin	10,128	56,054,810	525,835	12,681	4,932	5,535	52
Wyoming	478	2,899,718	27,077	46	-	6,066	57

NOTES: Provider based data are derived from bills for services performed in 2001 and recorded in CMS central records as of June 2002. These interim payment amounts may differ from final cost report adjusted payment amounts. Patient counts are unique to the State and therefore do not add to the total. Data have been screened for privacy.

SOURCES: CMS/OIS/HGIS

November 2003

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THE HISTORY OF THE

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Medicare Inpatient Hospitals by State 2003

	Short- Stay Hospitals	Beds per 1,000 Enrollees	Long- Stay Hospitals ¹	Beds per 1,000 Enrollees	Short- Stay Hospitals	Beds per 1,000 Enrollees	Long- Stay Hospitals ¹	Beds per 1,000 Enrollees
All Areas	4,231	20.8	1,793	3.1	101	25.7	37	2.7
United States	4,173	21.1	1,787	3.1				
Alabama	102	26.3	19	2.1	Missouri	16.8	34	4.2
Alaska	17	28.6	7	5.4	Montana	17.9	68	9.8
Arizona	61	15.6	22	1.5	Nebraska	16.7	18	3.1
Arkansas	65	20.2	38	4.8	Nevada	15.9	8	3.2
California	371	19.9	76	1.5	New Hampshire	23.0	27	3.4
Colorado	48	19.1	28	4.1	New Jersey	18.5	15	2.7
Connecticut	32	16.1	14	4.0	New Mexico	25.6	50	3.8
Delaware	5	16.2	6	3.7	New York	19.8	26	2.8
Dist. of Columbia	7	49.0	7	13.9	North Carolina	22.9	33	9.0
Florida	176	17.0	53	1.3	North Dakota	24.9	60	2.9
Georgia	122	23.0	54	3.7	Ohio	25.4	46	3.4
Hawaii	17	13.3	10	2.7	Oklahoma	14.9	14	1.0
Idaho	21	13.6	24	3.0	Oregon	16.6	68	3.8
Illinois	167	27.2	49	2.1	Pennsylvania	17.1	4	5.1
Indiana	99	21.7	53	2.9	Rhode Island	19.2	15	2.1
Iowa	72	22.0	49	3.1	South Carolina	22.0	30	5.5
Kansas	88	24.1	64	5.1	South Dakota	26.6	34	2.4
Kentucky	82	23.8	34	3.6	Tennessee	20.8	153	3.7
Louisiana	111	30.4	82	6.8	Texas	19.9	10	4.2
Maine	30	16.1	12	2.6	Utah	22.6	5	3.1
Maryland	48	20.1	19	5.0	Vermont	20.7	31	3.2
Massachusetts	71	13.9	46	6.8	Virginia	15.4	34	3.2
Michigan	131	19.2	44	2.5	Washington	24.8	23	3.1
Minnesota	89	20.9	59	4.2	West Virginia	21.6	45	3.2
Mississippi	90	28.6	16	1.4	Wisconsin	20.0	7	2.2
					Wyoming	17.1	6	2.1
					Puerto Rico	0.8	0	0.0
					Other Outlying Areas			

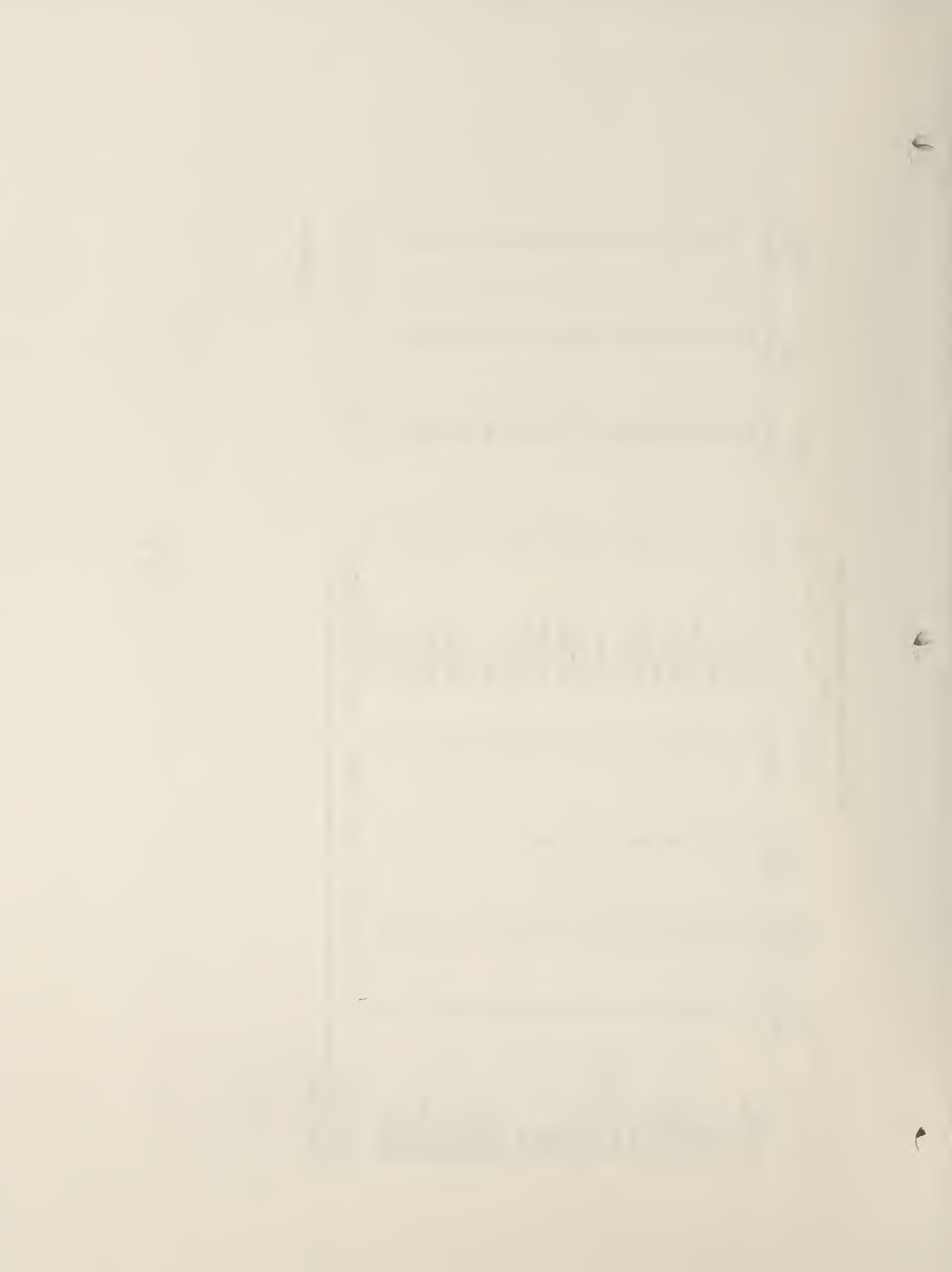
¹ Includes long term, religious nonmedical healthcare institutions, psychiatric, rehabilitation, children's, and critical access hospitals.

NOTES: Facility data as of end of December 2002. Beds per 1,000 enrollees based on HI enrollment data as of July 1, 2002.

SOURCE: CMS/ORDI

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Medicare Skilled Nursing Facilities and Certified Beds by State

2002

	Facilities	Beds	Facilities	Beds
All Areas	14,838	1,260,625		
United States	14,829	1,260,265		
Alabama	224	20,501	Missouri	464
Alaska	15	519	Montana	101
Arizona	133	9,971	Nebraska	175
Arkansas	191	13,517	Nevada	42
California	1,263	92,582	New Hampshire	68
Colorado	200	15,331	New Jersey	359
Connecticut	244	30,119	New Mexico	71
Delaware	37	3,324	New York	672
District of Columbia	20	2,017	North Carolina	413
Florida	695	63,331	North Dakota	84
Georgia	332	30,096	Ohio	916
Hawaii	41	3,447	Oklahoma	238
Idaho	79	5,824	Oregon	122
Illinois	676	44,530	Pennsylvania	739
Indiana	498	36,640	Rhode Island	97
Iowa	336	22,644	South Carolina	176
Kansas	256	15,234	South Dakota	90
Kentucky	303	21,385	Tennessee	302
Louisiana	266	26,486	Texas	977
Maine	121	7,248	Utah	79
Maryland	233	20,360	Vermont	43
Massachusetts	483	46,705	Virginia	240
Michigan	388	33,844	Washington	256
Minnesota	404	37,202	West Virginia	119
Mississippi	154	13,013	Wisconsin	361
			Wyoming	33
			U.S. Territories and Possessions	9
				360

NOTE: Data as of December.

SOURCE: CMS/ORDI

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Nursing Facilities Certified for Medicaid Only and Other Medicaid Long-Term Care Facilities by State

2002

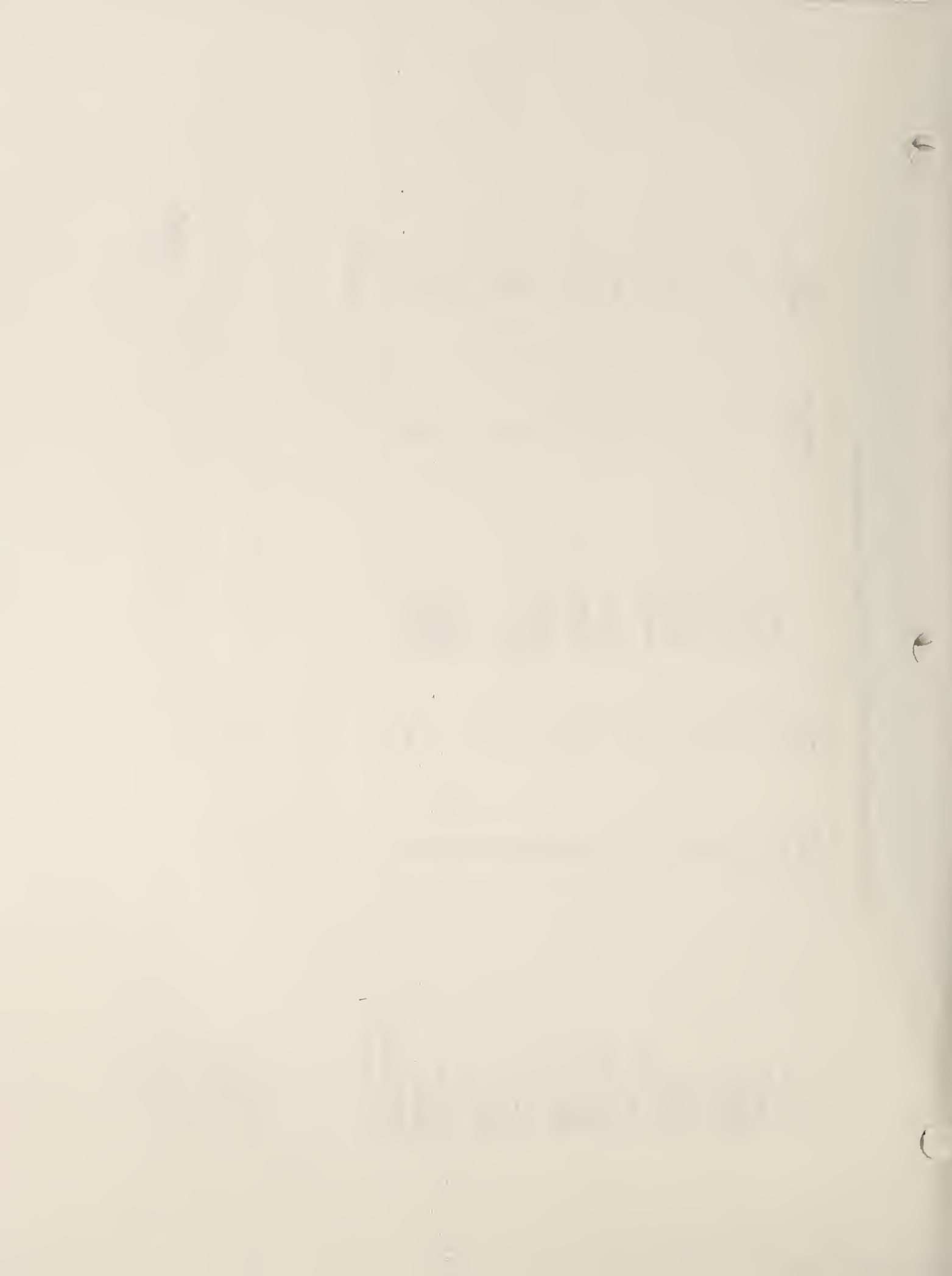
	Nursing Facilities Title 19 Only	Institutions for Mentally Retarded	Nursing Facilities Title 19 Only	Institutions for Mentally Retarded
United States	1,678	6,749	76	19
Alabama	5	8	1	2
Alaska	0	0	55	4
Arizona	1	13	2	19
Arkansas	56	41	15	1
California	87	1,085	0	9
Colorado	24	3	11	44
Connecticut	8	120	2	750
Delaware	5	2	2	331
District of Columbia	1	131	0	66
Florida	8	107	79	469
Georgia	30	13	136	59
Hawaii	4	20	23	1
Idaho	3	65	19	242
Illinois	178	315	0	15
Indiana	50	573	0	136
Iowa	127	128	22	1
Kansas	119	38	37	83
Kentucky	0	14	161	904
Louisiana	55	473	11	14
Maine	0	25	1	2
Maryland	13	5	39	20
Massachusetts	16	7	11	15
Michigan	44	1	18	62
Minnesota	21	240	46	39
Mississippi	50	13	6	2

NOTE: Data as of December.

SOURCE: CMS/ORDI

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Community Hospitals by State 2001 Annual Survey

	Hospitals	Beds	Beds per 1,000 Resident Population	Hospitals	Beds	Beds per 1,000 Resident Population
United States	4,908	825,966	2.9	117	19,257	3.4
Alabama	107	16,627	3.7	53	4,463	4.9
Alaska	19	1,442	2.3	84	8,324	4.9
Arizona	61	10,732	2.0	24	4,099	1.9
Arkansas	83	9,535	3.5	28	2,853	2.3
California	384	73,291	2.1	78	24,580	2.9
Colorado	66	9,442	2.1	35	3,584	2.0
Connecticut	35	8,041	2.3	212	67,296	3.5
Delaware	5	1,853	2.3	111	23,755	2.9
District of Columbia	10	3,372	5.9	40	3,717	5.9
Florida	202	51,762	3.2	166	33,310	2.9
Georgia	147	24,113	2.9	108	11,207	3.2
Hawaii	23	3,235	2.6	60	6,660	1.9
Idaho	40	3,439	2.6	205	42,131	3.4
Illinois	192	36,834	3.0	11	2,449	2.3
Indiana	110	19,036	3.1	62	11,282	2.8
Iowa	116	11,538	3.9	50	4,465	5.9
Kansas	133	11,211	4.2	123	20,600	3.6
Kentucky	103	15,001	3.7	411	56,354	2.6
Louisiana	125	17,975	4.0	42	4,437	2.0
Maine	37	3,844	3.0	14	1,694	2.8
Maryland	49	11,234	2.1	87	16,775	2.3
Massachusetts	80	16,504	2.6	84	11,382	1.9
Michigan	145	25,630	2.6	57	7,906	4.4
Minnesota	133	16,508	3.3	121	15,597	2.9
Mississippi	96	13,670	4.8	24	1,920	3.9

NOTE: Includes total hospital and nursing unit beds.

SOURCE: American Hospital Associations' 2003 Hospital Statistics.

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THE UNIVERSITY OF CHICAGO

DEPARTMENT OF THE HISTORY OF ARTS

AND ARCHITECTURE

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**Medicare Part B Participating Physicians and Other Practitioners by State
Selected Years**

	January 1999	January 2000	January 2001	January 2002	January 2003
Alabama	94.5	95.5	96.0	96.1	96.4
Alaska	81.4	82.9	83.7	86.1	87.2
Arizona	89.7	90.3	88.5	90.6	91.1
Arkansas	83.1	94.6	95.1	95.5	95.9
California	81.0	85.5	78.5	78.6	89.5
Colorado	84.6	87.4	88.4	89.5	90.0
Connecticut	88.7	89.3	89.9	90.5	93.4
Delaware	84.1	85.2	86.9	92.0	92.4
District of Columbia	81.0	84.1	85.2	90.8	91.3
Florida	77.6	90.1	92.1	92.9	92.5
Georgia	83.3	89.4	89.5	90.8	90.4
Hawaii	85.6	90.3	91.0	94.3	94.7
Idaho	75.6	77.6	79.4	80.8	84.0
Illinois	84.2	90.9	92.4	92.6	93.4
Indiana	79.0	83.2	85.1	85.5	87.4
Iowa	91.1	93.2	94.0	94.2	94.6
Kansas	94.7	94.2	94.4	94.6	95.4
Kentucky	92.3	93.8	93.3	93.7	94.0
Louisiana	73.5	91.7	92.1	92.3	92.4
Maine	93.8	94.3	93.6	93.7	94.8
Maryland	91.7	93.4	94.2	94.1	94.3
Massachusetts	94.0	94.9	91.7	92.1	96.0
Michigan	87.7	95.3	96.6	96.9	97.3
Minnesota	78.1	79.3	79.9	80.4	80.6
Mississippi	82.6	83.5	84.6	85.6	86.1
Missouri	89.2	87.9	90.0	95.6	94.0
Montana	84.7	86.6	88.6	89.9	90.9
Nebraska	92.4	92.7	93.2	93.8	94.6
Nevada	93.3	94.1	91.2	96.2	95.6
New Hampshire	92.2	93.1	90.8	91.1	94.0
New Jersey	80.1	82.8	84.5	87.4	88.9
New Mexico	89.3	89.9	91.1	92.6	93.3
New York	75.3	80.3	81.0	81.2	82.3
North Carolina	88.3	89.6	90.0	91.1	91.9
North Dakota	94.3	95.5	96.3	97.2	97.3
Ohio	93.2	93.9	94.2	95.5	95.7
Oklahoma	89.9	91.7	92.5	93.9	94.4
Oregon	89.8	90.7	91.2	92.8	93.4
Pennsylvania	83.5	85.5	94.3	95.8	96.4
Rhode Island	71.7	72.5	74.1	75.6	77.2
South Carolina	90.0	91.4	91.5	92.1	92.8
South Dakota	85.7	86.7	87.7	89.3	90.6
Tennessee	90.9	91.2	91.3	92.2	92.6
Texas	83.3	85.4	86.5	88.0	89.4
Utah	94.1	94.6	95.1	96.2	97.0
Vermont	91.8	92.9	94.8	94.9	93.8
Virginia	87.2	87.3	87.6	88.6	93.7
Washington	91.7	92.9	93.8	96.2	95.8
West Virginia	92.1	93.5	94.2	94.8	94.8
Wisconsin	89.4	90.9	92.7	94.5	95.0
Wyoming	86.4	87.1	87.3	87.7	88.0

NOTE: Other practitioners includes limited license practitioners and non-physician practitioners.

SOURCE: CMS/OFM

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**Physician Assignment Rates as a Percent of Allowed Charges by State
Fiscal Year 2002**

CMS Region/State	Assignment Rate	CMS Region/State	Assignment Rate
National	99.4		
Alabama	99.8	Montana	99.0
Alaska	99.2	Nebraska	97.9
Arizona	96.1	Nevada	99.9
Arkansas	99.8	New Hampshire	99.5
California	99.4	New Jersey	98.6
Colorado	98.7	New Mexico	99.1
Connecticut	99.2	New York	98.9
Delaware	99.5	North Carolina	99.3
District of Columbia	98.9	North Dakota	99.5
Florida	99.6	Ohio	99.9
Georgia	99.5	Oklahoma	99.3
Hawaii	99.5	Oregon	98.8
Idaho	94.9	Pennsylvania	99.9
Illinois	99.2	Rhode Island	100.0
Indiana	99.5	South Carolina	99.6
Iowa	99.4	South Dakota	94.9
Kansas	99.6	Tennessee	99.7
Kentucky	99.6	Texas	99.4
Louisiana	99.7	Utah	99.7
Maine	99.8	Vermont	99.7
Maryland	99.4	Virginia	99.7
Massachusetts	99.9	Washington	99.3
Michigan	99.7	West Virginia	99.8
Minnesota	96.7	Wisconsin	99.6
Mississippi	99.7	Wyoming	95.6
Missouri	99.4		

SOURCE: CMS/OFM

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Medicare Physicians and Other Medical Professionals by State ¹ 2003

State	Number	Percent of Total	State	Number	Percent of Total
Total	914,303 ²	100.0	Mississippi	6,289	0.7
Alabama	10,389	1.1	Montana	3,367	0.4
Alaska	2,161	0.2	North Carolina	25,715	2.8
Arizona	14,289	1.6	North Dakota	2,875	0.3
Arkansas	8,762	1.0	Nebraska	5,809	0.6
California	90,222	9.9	New Hampshire	5,853	0.6
Colorado	14,835	1.6	New Jersey	32,038	3.5
Connecticut	10,064	1.1	New Mexico	4,951	0.5
Delaware	2,689	0.3	Nevada	4,925	0.5
District Columbia	4,546	0.5	New York	74,194	8.1
Florida	51,245	5.6	Ohio	37,111	4.1
Georgia	22,944	2.5	Oklahoma	8,445	0.9
Hawaii ³	4,540	0.5	Oregon	11,834	1.3
Iowa	10,402	1.1	Pennsylvania	45,990	5.0
Idaho	3,687	0.4	Puerto Rico ⁴	6,891	0.8
Illinois	35,555	3.9	Rhode Island	3,430	0.4
Indiana	17,543	1.9	South Carolina	11,577	1.3
Kansas	8,971	1.0	South Dakota	2,709	0.3
Kentucky	12,473	1.4	Tennessee	19,309	2.1
Louisiana	15,668	1.7	Texas	52,595	5.8
Massachusetts	37,314	4.1	Utah	6,566	0.7
Maryland	21,154	2.3	Virginia	17,204	1.9
Maine	6,350	0.7	Vermont	3,029	0.3
Michigan	32,264	3.5	Washington	21,302	2.3
Minnesota	15,872	1.7	Wisconsin	19,198	2.1
Missouri	19,600	2.1	West Virginia	5,914	0.6
			Wyoming	1,635	0.2

¹ Medicare physicians and other medical professionals include active medical doctors, limited licensed practitioners, and non-physicians.

² Total includes unknown. ³ Guam included in Hawaii. ⁴ Virgin Islands included in Puerto Rico.

NOTES: Percent total does not necessarily equal sum of rounded components. Data as of April 2003.

SOURCES: CMS/ORD/CBC (Medicare Physician Registry)

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1. The first part of the report is a general
introduction to the subject of the study.
It is followed by a description of the
method used in the study.
The results of the study are then presented
in a series of tables and figures.
The final part of the report is a
conclusion and a list of references.

CH

VIII. FINANCING

Selected reference material including contribution rates, taxable earning ceilings, cost-sharing provisions and Medicaid Federal matching percentages.

HIGHLIGHTS

- o The Omnibus Budget Reconciliation Act of 1993 eliminated the Annual Maximum Taxable Earnings amounts for 1994 and later. For these years, the contribution rate is applied to all earnings in covered employment.*
- o The Medicare Part A inpatient hospital deductible increased from \$40 in 1966 to \$840 in 2003.*
- o The Medicare Part B coinsurance has remained at 20 percent since the beginning of the program. The annual Part B deductible increased from \$50 beginning July 1966 to \$100 beginning January 1991.*
- o The Medicare Part B premiums increased from \$3 per month in 1966 to \$58.70 per month in 2003.*

Financing of Medicare Programs

Source of Income

HI Trust Fund

1. Payroll taxes *
2. Transfers from railroad retirement account
3. General revenue for
 - a. uninsured persons
 - b. military wage credits
4. Premiums from voluntary enrollees
5. Interest on investments

* Contribution rate
Employees and employers, each 1.45%
Self-employed 2.90%

Maximum taxable amount (CY 2003) none ¹

Voluntary HI Premium ²

Monthly Premium (2003): \$316

SMI Trust Fund

1. Premiums paid by or on behalf of enrollees
2. General revenue
3. Interest on investments

Part B Premium

Monthly Basic Premium (2003): \$58.70

¹ The Omnibus Reconciliation Act of 1993 eliminated the Annual Maximum Taxable Earnings amounts for 1994 and later. For these years, the contribution rate is applied to all earnings in covered employment.

² Premium paid for voluntary participation of individuals aged 65 and over not otherwise entitled to hospital insurance and of certain disabled individuals who have exhausted other entitlement. A reduced premium of \$174 is available to individuals aged 65 and over who are not otherwise entitled to hospital insurance but who have, or whose spouse has or had, at least 30 quarters of coverage under Title II of the Social Security Act.

SOURCE: CMS/OACT

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Financing of Medicaid Programs
Fiscal Year 2003

Federal Contributions	Percent
1. Medical Vendor Payments ¹	50-83
2. Family Planning Services	90
3. Administrative Costs	50
4. Development of Management Information Systems ²	90
5. Operation of Management Information Systems	75
6. Skilled Nursing Facility, Inspectors	75
7. Intermediate Care Facility for the Mentally Retarded, Inspectors	
a. Salaries, Fringe Benefits, Travel & Training	75
b. All Other Costs	50
8. Skilled Professional Medical Personnel	75
9. State Medicaid Fraud and Abuse Units	75
10. PRO Performance Review	75
11. Systematic Alien Verification for Entitlements System	100
12. Preadmission Screening and Annual Resident Review	75
13. Indian Health Services	100
14. TANF Allocation Enhanced Administrative Match ³	75-90

¹ Range reflects floor to ceiling percentages available under statute in any fiscal year. The ceiling for Medicaid State Children's Health Insurance Program payments under sections 1905(u)(2) and 1905(u)(3) is 85 percent.

² After approval of an application for 90% rate by CMS.

³ Special transitional enhanced match for certain administrative expenditures attributable to the costs of Medicaid eligibility determinations with the advent of the Temporary Assistance to Needy Families (TANF) program (section 1931).

SOURCE: CMS/CMSO

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**Medicare Cost Sharing and Premium Amounts for
Hospital Insurance ¹**

	Deductible (IHD)		Inpatient Hospital		SNF ³ Daily Coinsurance after 20 days (1/8 x IHD)	Hospital Insurance Monthly Premium ⁴
	Covers first 60 days		61st through 90th days (1/4 x IHD)	LTR ² after 90 days (1/2 x IHD)		
July						
1966	\$40		\$10	(⁵)	(⁵)	--
1970	52		13	26	6.50	--
1980	180		45	90	22.50	78 ^{6 7}
1985	400		100	200	50.00	174 ⁸
1990	592		148	296	74.00	175 ⁹
1995	716		179	358	89.50	261 ¹⁰
1996	736		184	368	92.00	289 ¹⁰
1997	760		190	380	95.00	311 ¹⁰
1998	764		191	382	95.50	309 ¹⁰
1999	768		192	384	96.00	309 ¹⁰
2000	776		194	388	97.00	301 ¹⁰
2001	792		198	396	99.00	300 ¹⁰
2002	812		203	406	101.50	319 ¹⁰
2003	840		210	420	105.00	316 ¹⁰

Beginning in January unless noted

¹ Hospital Insurance covers all expenses in "benefit period" except deductible and coinsurances shown below.

² LTR is lifetime reserve.

³ SNF is skilled nursing facility.

⁴ Premium paid for voluntary participation of individuals aged 65 or older not otherwise entitled to hospital insurance and of certain disabled individuals who have exhausted other entitlement.

⁵ Benefit not provided.

⁶ Beginning in July for years 1973 through 1982.

⁷ Set to 33/76 times the IHD, rounded to the nearest dollar, for years 1973 through 1988.

⁸ Beginning in January for 1984 and succeeding years.

⁹ Set at the estimated actuarial value of incurred benefits and administrative expenses for hospital insurance entitled aged beneficiaries, rounded to the nearest dollar, for 1989 and succeeding years.

¹⁰ For 1994 and later, a reduced premium is available to individuals aged 65 or older who are not otherwise entitled to hospital insurance but who have, or whose spouse has or had, at least 30 quarters of coverage under Title II of the Social Security Act. For 2003, the reduced premium is \$174.

SOURCE: CMS/OACT

November 2003



**Medicare Cost Sharing and Premium Amounts for
Supplementary Medical Insurance**

	Monthly Premiums				
	Annual Deductible	Coinsurance	For Enrollee (aged and disabled) ¹	Government Amounts	
				Aged	Disabled
Beginning July unless otherwise noted					
1966	\$50	20%	\$3.00	\$3.00	—
1970	50 ^{2 3}	20% ³	4.00	4.00	—
1975	60 ⁴	20% ⁵	6.70	6.70	29.30
1980	60	20%	8.70	18.10	41.30
1985	75 ^{6 7 8}	20%	15.50 ⁹	46.50 ⁹	89.90 ⁹
1990	75	20%	28.60	85.80	59.60
1995	100 ¹⁰	20%	46.10	100.10	165.50
1996	100	20%	42.50	127.30	167.70
1997	100	20%	43.80	131.40	177.00
1998	100	20%	43.80	132.00	150.40
1999	100	20%	45.50	139.10	160.50
2000	100	20%	45.50	138.30	196.70
2001	100	20%	50.00	152.00	214.40
2002	100	20%	54.00	164.60	192.20
2003	100	20%	58.70	178.70	223.30

¹ Beginning July 1973 for the disabled.

² Beginning in January for 1967 and succeeding years.

³ Professional inpatient services of pathologists and radiologists not subject to deductible or coinsurance for the period April 1968 - December 1980.

⁴ Deductible was \$60 for the years 1973 - 1981.

⁵ Home health services are not subject to coinsurance, beginning July 1972.

⁶ Home health services are not subject to deductible, beginning 1981.

⁷ Professional inpatient services of pathologists and radiologists not subject to deductible and coinsurance only when physician accepts assignment for the period January 1981 - September 1982 and are subject to deductible and coinsurance for October 1982 and later.

⁸ Deductible was \$75 for the years 1982 - 1990.

⁹ Beginning in January for 1984 and succeeding years.

¹⁰ Deductible is \$100 for the years 1991 and later.

SOURCE: CMS/OACT

November 2003

**Medicare Annual Maximum Taxable Earnings and HI Contribution Rates
Calendar Years 1966 - 2003**

Calendar Year	Annual Maximum Taxable Earnings	Contribution Rate ¹	
		Employees and employers, each	Self- employed
1966	\$6,600	0.35	0.35
1967	6,600	0.50	0.50
1968	7,800	0.60	0.60
1969	7,800	0.60	0.60
1970	7,800	0.60	0.60
1971	7,800	0.60	0.60
1972	9,000	0.60	0.60
1973	10,800	1.00	1.00
1974	13,200	0.90	0.90
1975	14,100	0.90	0.90
1976	15,300	0.90	0.90
1977	16,500	0.90	0.90
1978	17,700	1.00	1.00
1979	22,900	1.05	1.05
1980	25,900	1.05	1.05
1981	29,700	1.30	1.30
1982	32,400	1.30	1.30
1983	35,700	1.30	1.30
1984	37,800	1.30	2.60
1985	39,600	1.35	2.70
1986	42,000	1.45	2.90
1987	43,800	1.45	2.90
1988	45,000	1.45	2.90
1989	48,000	1.45	2.90
1990	51,300	1.45	2.90
1991	125,000	1.45	2.90
1992	130,200	1.45	2.90
1993	135,000	1.45	2.90
1994 and later	none ²	1.45	2.90

¹ Percent of taxable earnings.

² The Omnibus Budget Reconciliation Act of 1993 eliminated the Annual Maximum Taxable Earnings amount for 1994 and later. For those years, the contribution rate is applied to all earnings in covered employment.

SOURCE: CMS/OACT

November 2003

**Geographical Jurisdictions of CMS Regional Office
Federal Medical Assistance Percentages
and Enhanced Federal Medical Assistance Percentages
Fiscal Year 2004**

Region	FMAP	TFMAP ¹	EFMAP ²	Region	FMAP	TFMAP ¹	EFMAP ²
I. Boston				II. New York			
Connecticut	50.00	52.95	65.00	New Jersey	50.00	52.95	65.00
Maine	66.01	69.17	76.21	New York	50.00	52.95	65.00
Massachusetts	50.00	52.95	65.00	Puerto Rico	50.00	52.95	65.00
New Hampshire	50.00	52.95	65.00	Virgin Islands	50.00	52.95	65.00
Rhode Island	56.03	58.98	69.22				
Vermont	61.34	65.36	72.94				
III. Philadelphia				IV. Atlanta			
Delaware	50.00	52.95	65.00	Alabama	70.75	73.70	79.53
District of Columbia	70.00	72.95	79.00	Florida	58.93	61.88	71.25
Maryland	50.00	52.95	65.00	Georgia	59.58	62.55	71.71
Pennsylvania	54.76	57.71	68.33	Kentucky	70.09	73.04	79.06
Virginia	50.00	53.48	65.00	Mississippi	77.08	80.03	83.96
West Virginia	75.19	78.14	82.53	North Carolina	62.85	65.80	74.00
				South Carolina	69.86	72.81	78.90
V. Chicago				Tennessee	64.40	67.54	75.08
Illinois	50.00	52.95	65.00	VI. Dallas			
Indiana	62.32	65.27	73.62	Arkansas	74.67	77.62	82.27
Michigan	55.89	58.84	69.12	Louisiana	71.63	74.58	80.14
Minnesota	50.00	52.95	65.00	New Mexico	74.85	77.80	82.40
Ohio	59.23	62.18	71.46	Oklahoma	70.24	73.51	79.17
Wisconsin	58.41	61.38	70.89	Texas	60.22	63.17	72.15
VII. Kansas City				VIII. Denver			
Iowa	63.93	66.88	74.75	Colorado	50.00	52.95	65.00
Kansas	60.82	63.77	72.57	Montana	72.85	75.91	81.00
Missouri	61.47	64.42	73.03	North Dakota	68.31	71.31	77.82
Nebraska	59.89	62.84	71.92	South Dakota	65.67	68.62	75.97
				Utah	71.72	74.67	80.20
IX. San Francisco				Wyoming	59.77	64.27	71.84
Arizona	67.26	70.21	77.08	X. Seattle			
California	50.00	52.95	65.00	Alaska	58.39	61.34	70.87
Hawaii	58.90	61.85	71.23	Idaho	70.46	73.91	79.32
Nevada	54.93	57.88	68.45	Oregon	60.81	63.76	72.57
American Samoa	50.00	52.95	65.00	Washington	50.00	52.95	65.00
Guam	50.00	52.95	65.00				
N. Mariana Islands	50.00	52.95	65.00				

¹ Temporary FMAPs established by Section 401 (P.L. 108-27) available for certain expenditures for the first three quarters of Federal FY 2004.

² The "Enhanced Federal Medical Assistance Percentages" are for use in the State Children's Health Insurance Program (Title XXI), and Medicaid State Children's Health Insurance Program expansions under sections 1905(u)(2) and (u)(3).

SOURCE: CMS/CMSO

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